

Ashford Inc  
Form SC 13D  
October 06, 2016

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

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. )1

Ashford Inc.

(Name of Issuer)

Common Stock, \$0.01 par value per share  
(Title of Class of Securities)

044104 10 7  
(CUSIP Number)

William C. Martin  
Ten Princeton Avenue, P.O. Box 228  
Rocky Hill, New Jersey 08553  
(609) 357-1870

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

October 4, 2016

(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 §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box x.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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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 ("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. 044104 10 7

1 NAME OF REPORTING PERSON

Raging Capital Management, LLC

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | - 0 -                    |
|   | 8  | SHARED VOTING POWER      |
|   |    | 198,734                  |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | - 0 -                    |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | 198,734                  |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

198,734

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

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

9.9%

14 TYPE OF REPORTING PERSON

IA

CUSIP NO. 044104 10 7

1 NAME OF REPORTING PERSON

William C. Martin

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

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

|   |    |                                   |
|---|----|-----------------------------------|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | 7  | SOLE VOTING POWER                 |
|   | 8  | - 0 -<br>SHARED VOTING POWER      |
|   | 9  | 198,734<br>SOLE DISPOSITIVE POWER |
|   | 10 | - 0 -<br>SHARED DISPOSITIVE POWER |
|   |    | 198,734                           |

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14 TYPE OF REPORTING PERSON

HC

CUSIP NO. 044104 10 7

The following constitutes the Schedule 13D filed by the undersigned (the "Schedule 13D").

Item 1. Security and Issuer.

This statement relates to the Common Stock, \$0.01 par value per share (the "Shares"), of Ashford Inc., a Delaware corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 14185 Dallas Parkway, Suite 1100, Dallas, Texas 75254.

Item 2. Identity and Background.

(a) This statement is filed by Raging Capital Management, LLC, a Delaware limited liability company ("Raging Capital"), and William C. Martin. Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons."

Raging Capital is the Investment Manager of Raging Capital Master Fund, Ltd., a Cayman Islands exempted company ("Raging Master"), in whose name the Shares are held. William C. Martin is the Chairman, Chief Investment Officer and Managing Member of Raging Capital. Raging Master has delegated to Raging Capital the sole authority to vote and dispose of the securities held by Raging Master pursuant to an Investment Management Agreement, dated November 9, 2012 (the "IMA"). The IMA may be terminated by any party thereto effective at the close of business on the last day of any fiscal quarter by giving the other party not less than sixty-one days' written notice. As a result, each of Raging Capital and William C. Martin may be deemed to beneficially own the Shares held by Raging Master.

Set forth on Schedule A annexed hereto ("Schedule A") is the name and present principal business, occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted of the executive officers of Raging Capital. To the best of the Reporting Persons' knowledge, except as otherwise set forth herein, none of the persons listed on Schedule A beneficially owns any securities of the Issuer or is a party to any contract, agreement or understanding required to be disclosed herein.

(b) The address of the principal office of each of the Reporting Persons is Ten Princeton Avenue, P.O. Box 228, Rocky Hill, New Jersey 08553.

(c) The principal business of Raging Capital is serving as the Investment Manager of Raging Master. The principal occupation of William C. Martin is serving as the Chairman, Chief Investment Officer and Managing Member of Raging Capital.

(d) No Reporting Person nor any person listed on Schedule A has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person nor any person listed on Schedule A has, during the last five years, been 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.

(f) Raging Capital is organized under the laws of the State of Delaware. William C. Martin is a citizen of the United States of America.



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Item 3. Source and Amount of Funds or Other Consideration.

The aggregate purchase price of the 198,734 Shares owned directly by Raging Master is approximately \$9,984,433, including brokerage commissions. Such Shares were acquired with the working capital of Raging Master.

Raging Master effects purchases of securities primarily through margin accounts maintained for it with prime brokers, which may extend margin credit to it as and when required to open or carry positions in the margin accounts, subject to applicable federal margin regulations, stock exchange rules and the prime brokers' credit policies. In such instances, the positions held in the margin accounts are pledged as collateral security for the repayment of debit balances in the accounts.

Item 4. Purpose of Transaction.

The Reporting Persons purchased the securities of the Issuer reported herein based on the Reporting Persons' belief that such securities, when purchased, were undervalued and represented an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of securities of the Issuer at prices that would make the purchase or sale of securities of the Issuer desirable, the Reporting Persons may endeavor to increase or decrease their position in the Issuer through, among other things, the purchase or sale of securities of the Issuer on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable.

On October 4, 2016, representatives of Raging Capital met with members of management and the Board of the Issuer to discuss various matters relating to the Issuer, including, but not limited to its business operations and ways to enhance shareholder value. Raging Capital intends to continue to have discussions with management and the Board of the Issuer regarding these matters.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon completion of any of the actions discussed herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis and may from time to time engage in additional discussions with management and the Board. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the securities of the Issuer, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, making proposals to or concerning the Issuer, purchasing additional securities of the Issuer, selling some or all of their securities of the Issuer, engaging in short selling of or any hedging or similar transaction with respect to the securities of the Issuer, or change their intention with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer.

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 2,015,599 Shares outstanding as of September 13, 2016, which is the total number of Shares outstanding as reported in the Issuer's Schedule 14A filed with the Securities and Exchange Commission on September 20, 2016.

As of the close of business on the date hereof, each of Raging Capital and William C. Martin may be deemed to beneficially own the 198,734 Shares, constituting approximately 9.9% of the Shares outstanding, held by Raging Master by virtue of their relationships with Raging Master discussed in further detail in Item 2.

Each of the Reporting Persons, as a member of a “group” with the other Reporting Persons for purposes of Rule 13d-5(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), may be deemed to beneficially own the Shares owned by the other Reporting Persons. The filing of this Schedule 13D shall not be deemed an admission that the Reporting Persons are, for purposes of Section 13(d) of the Exchange Act, the beneficial owners of any Shares he or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the Shares reported herein that he or it does not directly own. Without limiting the foregoing sentence, Raging Master specifically disclaims beneficial ownership of the securities of the Issuer held by it by virtue of its inability to vote or dispose of such securities as a result of the IMA.



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(b) Raging Capital and William C. Martin may be deemed to share the power to vote and dispose of the Shares held by Raging Master.

(c) Schedule B annexed hereto lists all transactions in the Shares during the past sixty days by the Reporting Persons. All of such transactions were effected in the open market.

(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.

(e) Not applicable.

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

On October 6, 2016, the Reporting Persons entered into a Joint Filing Agreement in which the Reporting Persons agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of the Issuer. A copy of this agreement is attached as an exhibit hereto and is incorporated herein by reference.

Item 7. Material to be Filed as Exhibits.

99.1 Joint Filing Agreement by and between Raging Capital Management, LLC and William C. Martin, dated October 6, 2016.

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SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: October 6, 2016

Raging Capital Management, LLC

By: /s/ Frederick C. Wasch  
Name: Frederick C. Wasch  
Title: Chief Financial Officer

/s/ Frederick C. Wasch  
Frederick C. Wasch as attorney-in-fact for  
William C. Martin

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SCHEDULE A

Executive Officers of Raging Capital Management, LLC

| Name and Position   | Present Principal Occupation   | Business Address   |
|---|--|--|
| William C. Martin,<br>Chairman, Chief Investment Officer<br>and Managing Member | Chairman, Chief Investment Officer<br>and Managing Member of Raging<br>Capital Management, LLC | c/o Raging Capital Management, LLC<br>Ten Princeton Avenue, P.O. Box 228<br>Rocky Hill, New Jersey 08553 |
| Frederick C. Wasch,<br>Chief Financial Officer                                  | Chief Financial Officer of Raging<br>Capital Management, LLC                                   | c/o Raging Capital Management, LLC<br>Ten Princeton Avenue, P.O. Box 228<br>Rocky Hill, New Jersey 08553 |

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SCHEDULE B

Transactions in the Shares of the Issuer During the Past 60 Days

| Class of Security                | Shares Purchased | Price (\$) | Date of Purchase |
|----------------------------------|------------------|------------|------------------|
| RAGING CAPITAL MASTER FUND, LTD. |                  |            |                  |
| Common Stock                     | 10,338           | 45.0000    | 08/23/2016       |
| Common Stock                     | 300              | 46.2700    | 08/23/2016       |