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CLINTON GROUP INC  
Form SC 13D/A  
February 16, 2010

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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SCHEDULE 13D  
(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)

Under the Securities Exchange Act of 1934  
(Amendment No. 2)\*

Red Robin Gourmet Burgers, Inc.

-----  
(Name of Issuer)

Common Stock, Par Value \$0.001 Per Share

-----  
(Title of Class of Securities)

75689M101

-----  
(CUSIP Number)

Marc Weingarten, Esq. and  
David E. Rosewater, Esq.  
Schulte Roth & Zabel LLP  
919 Third Avenue  
New York, New York 10022  
(212) 756-2000

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

February 11, 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.

(Continued on following pages)

(Page 1 of 10 Pages)



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11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,087,718 (See Item 5)

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

[ ]

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

7.0% (See Item 5)

14 TYPE OF REPORTING PERSON\*

IA; CO

CUSIP NO. 75689M101

SCHEDULE 13D

PAGE 3 OF 10 PAGES

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

CLINTON MAGNOLIA MASTER FUND, LTD.

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

(a) [X]  
(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

CAYMAN ISLANDS

7 SOLE VOTING POWER

- 0 -

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER

1,087,718 (See Item 5)

9 SOLE DISPOSITIVE POWER

- 0 -

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10 SHARED DISPOSITIVE POWER

1,087,718 (See Item 5)

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,087,718 (See Item 5)

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

[ ]

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

7.0% (See Item 5)

14 TYPE OF REPORTING PERSON\*

CO

\* SEE INSTRUCTIONS

CUSIP NO. 75689M101

SCHEDULE 13D

PAGE 4 OF 10 PAGES

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

GEORGE HALL

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

(a) [X]

(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

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

7 SOLE VOTING POWER

- 0 -

NUMBER OF  
SHARES

8 SHARED VOTING POWER

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BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

1,087,718 (See Item 5)

-----

9 SOLE DISPOSITIVE POWER

- 0 -

-----

10 SHARED DISPOSITIVE POWER

1,087,718 (See Item 5)

-----

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,087,718 (See Item 5)

-----

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

[ ]

-----

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

7.0% (See Item 5)

-----

14 TYPE OF REPORTING PERSON\*

IN

\* SEE INSTRUCTIONS

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CUSIP NO. 75689M101 SCHEDULE 13D PAGE 5 OF 10 PAGES

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
SPOTLIGHT ADVISORS, LLC.

-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) [X]  
(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

-----

7 SOLE VOTING POWER

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- 0 -

-----  
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 8 SHARED VOTING POWER  
3,000  
-----  
9 SOLE DISPOSITIVE POWER  
- 0 -  
-----  
10 SHARED DISPOSITIVE POWER  
3,000  
-----

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

3,000

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\* [ ]

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

Less than 0.1%

14 TYPE OF REPORTING PERSON\*

CO

\* SEE INSTRUCTIONS

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CUSIP NO. 75689M101 SCHEDULE 13D PAGE 6 OF 10 PAGES  
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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

GREGORY P. TAXIN

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) [X]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

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UNITED STATES

	7	SOLE VOTING POWER	
		- 0 -	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	
		3,000	
	9	SOLE DISPOSITIVE POWER	
		- 0 -	
	10	SHARED DISPOSITIVE POWER	
		3,000	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON		
	3,000		
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*		
	[ ]		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)		
	Less than 0.1%		
14	TYPE OF REPORTING PERSON*		
	IN		

\* SEE INSTRUCTIONS

CUSIP NO.	75689M101	SCHEDULE 13D	PAGE 7 OF 10 PAGES
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ITEM 1. SECURITY AND ISSUER.

The Schedule 13D filed on December 22, 2009 (the "Schedule 13D"), as amended by Amendment No. 1 dated January 8, 2010 (the "First Amendment"), by the Clinton Group, Inc., a Delaware corporation ("CGI"), Clinton Magnolia Master Fund, Ltd., a Cayman Islands exempted company ("CMAG"), George Hall (CGI, CMAG and George Hall, collectively "Clinton"), Spotlight Advisors, LLC, a Delaware Limited Liability Company ("SAL"), and Gregory Taxin (SAL and Gregory Taxin, collectively "Spotlight," and collectively with Clinton, the "Reporting Persons") relating to the shares of Common Stock, \$0.001 par value per share (the "Shares"), of Red Robin Gourmet Burgers, Inc., a Delaware corporation (the "Issuer"), is hereby amended as set forth below by this Amendment No. 2 to the Schedule 13D.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Item 3 of the Schedule 13D is being amended and restated in its entirety to

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include the following:

Funds for the purchase of the Shares reported herein were derived from available capital of CMAG and SAL. A total of approximately \$17,900,000 was paid to acquire such Shares.

ITEM 4. PURPOSE OF TRANSACTION.

Item 4 of the Schedule 13D is being amended to include the following:

On February 11, 2010, representatives of the Reporting Persons spoke with Edward Harvey, the lead independent director of the Issuer's board of directors (the "Board"). During the discussion, the parties discussed several possible approaches to address the issues raised by the Reporting Persons and agreed to continue discussing those issues. The Reporting Persons indicated their desire to continue to work cooperatively with the Board to reach an amicable resolution, but also noted their willingness to nominate alternative directors for the Board in the event a settlement is not reached.

On February 12, 2010, representatives of the Reporting Persons spoke with Mr. Harvey and provided a framework for a potential resolution of the issues the Reporting Persons have raised. The Reporting Persons indicated that an acceptable resolution would include changes to the size, leadership, compensation and composition of the Board and its committees and certain corporate governance reforms, including that the Issuer adopt majority voting. The Reporting Persons reiterated that in the absence of a resolution of their concerns, the Reporting Persons would nominate alternative directors for the Board.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Item 5 of the Schedule 13D is being amended and restated in its entirety to include the following:

(a) The aggregate percentage of Shares beneficially owned by the Reporting Persons is based upon 15,580,644 Shares outstanding, which is the total number of Shares outstanding as of November 3, 2009 as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 6, 2009 for the period ended October 4, 2009.

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CUSIP NO. 75689M101 SCHEDULE 13D PAGE 8 OF 10 PAGES  
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As of the close of business on February 12, 2010, Clinton may be deemed the beneficial owners of an aggregate of 1,087,718 Shares constituting approximately 7.0% of the Shares outstanding. A recent Southern District of New York decision determined that the reference shares in connection with swap arrangements may be deemed to be beneficially owned by the holder of the swap. That decision is under review by the Second Circuit Court of Appeals, but in the event that shares referenced in swap arrangements may be deemed to be beneficially owned by the holder of the swap, Clinton would beneficially own an additional 58,800 Shares pursuant to the CMAG Swaps, described in Item 6 of the Schedule 13D, for an aggregate of 1,146,518 Shares constituting approximately 7.4% of the Shares outstanding. Clinton expressly disclaims beneficial ownership of the 58,800 Shares referenced in the swap arrangements. Spotlight may be deemed to beneficially own 3,000 shares, constituting less than 0.1% of the



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Shares outstanding.

By virtue of the Letter Agreement, filed as Exhibit 1 to the Schedule 13D and incorporated here by reference, the Reporting Persons may be deemed to have formed a "group" within the meaning of Section 13(d)(3) of the Securities Act of 1934 and may be deemed to beneficially own 1,090,718 Shares, constituting approximately 7.0% of the Shares outstanding; provided that the Group may be deemed to beneficially own 1,149,518 Shares, constituting approximately 7.4% of the Shares outstanding due to the arrangements in regard to the CMAG Swaps as discussed above. However, (i) Clinton expressly disclaims beneficial ownership of (x) the Shares referenced in the CMAG Swaps and (y) the Shares beneficially owned by Spotlight and (ii) Spotlight expressly disclaims beneficial ownership of the Shares beneficially owned by Clinton.

(b) By virtue of investment management agreements with CMAG, CGI has the power to vote or direct the voting, and to dispose or direct the disposition, of all of the 1,087,718 Shares beneficially owned by CMAG. By virtue of his direct and indirect control of CGI, George Hall is deemed to have shared voting power and shared dispositive power with respect to all Shares as to which CGI has voting power or dispositive power.

By virtue of his direct control as managing member of SAL, Gregory Taxin is deemed to have shared voting power and shared dispositive power with respect to all Shares as to which SAL has voting power or dispositive power.

(c) Information concerning transactions in the Shares effected by the Reporting Persons since the filing of the First Amendment is set forth in Schedule B hereto and is incorporated herein by reference. Unless otherwise indicated, 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 the proceeds from the sale of, the Shares.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

Item 6 of the Schedule 13D is being amended to include the following:

See Schedule B for option contracts with respect to securities of the Issuer.

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CUSIP NO. 75689M101 SCHEDULE 13D PAGE 9 OF 10 PAGES  
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SIGNATURES

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

Dated: February 16, 2010

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CLINTON GROUP, INC.

By: /s/ Francis Ruchalski

-----  
Name: Francis Ruchalski  
Title: Chief Financial Officer

CLINTON MAGNOLIA MASTER FUND, LTD.  
By: Clinton Group, Inc. its investment  
manager

By: /s/ Francis Ruchalski

-----  
Name: Francis Ruchalski  
Title: Chief Financial Officer

/s/ George Hall

-----  
George Hall

SPOTLIGHT ADVISORS, LLC

By: /s/ Gregory P. Taxin

-----  
Name: Gregory P. Taxin  
Title: Managing Member

/s/ Gregory P. Taxin

-----  
Gregory P. Taxin

-----  
CUSIP NO. 75689M101  
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SCHEDULE 13D

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PAGE 10 OF 10 PAGES  
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SCHEDULE B

This Schedule sets forth information with respect to each purchase and sale of Shares which were effectuated by the Reporting Persons since filing the First Amendment. Unless otherwise indicated, all transactions were effectuated in the open market through a broker.

CLINTON MAGNOLIA MASTER FUND, LTD.

EQUITY

Trade Date	Shares Purchased (Sold)	Price Per Share (\$)
1/15/10	100,000	15
1/15/10	(31,900)	17.5

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1/19/10	8,600	18.85187
1/21/10	3,200	19.33531
1/21/10	(3,200)	19.2537
1/28/10	6,052	18.40358
2/1/10	20,000	19.15518
2/2/10	18,875	19.12307
2/3/10	10,000	18.90239
2/5/10	23,381	18.71401
2/9/10	25,000	19.07396
2/12/10	50,328	19.79649
2/12/10	(200)	19.701

OPTIONS

Trade Date	Expiration Date	Quantity	Strike Price (\$)
1/15/10	1/15/10	(100,000)	15
1/15/10	1/15/10	31,900	17.5
1/19/10	2/19/10	(5,100)	17.5
1/19/10	2/19/10	(50,000)	20
1/19/10	3/19/10	(30,000)	20
1/20/10	2/19/10	(3,200)	20
1/21/10	2/19/10	(40,300)	20
1/25/10	3/19/10	(30,000)	20
1/25/10	2/19/10	(100,000)	20
1/27/10	2/19/10	(5,000)	20
1/28/10	2/19/10	(5,000)	20
1/29/10	3/19/10	(35,000)	20
1/29/10	2/19/10	(20,000)	17.5
1/29/10	2/19/10	(25,000)	20
2/1/10	2/19/10	(40,000)	20
2/3/10	2/19/10	(55,000)	20
2/3/10	3/19/10	(105,000)	20
2/5/10	2/19/10	(135,000)	20
2/5/10	3/19/10	(160,000)	20
2/5/10	9/17/10	10,000	22.5
2/5/10	9/17/10	(2,200)	22.5
2/12/10	2/19/10	(3,200)	20
2/12/10	3/19/10	(10,000)	20