

CRDENTIA CORP  
Form SC 13G  
November 05, 2007

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13G  
(Rule 13d-102)  
INFORMATION TO BE INCLUDED IN STATEMENTS  
FILED PURSUANT TO RULE 13d-1(b), (c) AND (d)  
AND AMENDMENTS THERETO FILED PURSUANT TO 13d-2(b)

(AMENDMENT NO.   )\*

CRDENTIA CORPORATION  
(Name of Issuer)

Common Stock, par value \$0.0001 per share  
(Title of Class of Securities)

225235308  
(CUSIP Number)

October 26, 2007  
(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)
- Rule 13d-1 (d)

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. 225235308

13G

Page 2 of 10 Pages

## 1 NAME OF REPORTING PERSON:

Valens Offshore SPV I, Ltd.

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON: 98-0539781

## 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b) 

x

## 3 SEC USE ONLY

## 4 CITIZENSHIP OR PLACE OF ORGANIZATION

o

Delaware

5

SOLE VOTING POWER

0 shares of Common Stock. \*

Number of  
Shares

6

SHARED VOTING POWER

Beneficially

Owned by

7

2,500,000 shares of Common Stock. \*

Each Reporting

Person With

8

0 shares of Common Stock. \*

SHARED DISPOSITIVE POWER

2,500,000 shares of Common Stock. \*

## 9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,500,000 shares of Common Stock.

## 10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

o

## 11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

8.22%

## 12 TYPE OF REPORTING PERSON

CO

\* Based on 29,584,110 shares of the common stock, par value \$0.0001 per share (the "Shares") outstanding of Crdentia Corp., a Delaware corporation (the "Company"), as disclosed in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007. As of October 26, 2007, Valens Offshore SPV I, Ltd. ("Valens Offshore") held (i) a warrant (the "Warrant") to acquire 833,333 Shares, at an exercise price of \$0.35 per Share, subject to certain adjustments, and (ii) 1,666,667 Shares. Valens Offshore is managed by Valens Capital Management, LLC ("VCM"). Eugene Grin and David Grin, through other entities, are the controlling principals of VCM, and share voting and

investment power over the securities owned by Valens Offshore reported in this Schedule 13G.

---

CUSIP No. 225235308

13G

Page 3 of 10 Pages

1 NAME OF REPORTING PERSON:

Valens Capital Management, LLC

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON: 20-8903345

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

x

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

o

Delaware

5

SOLE VOTING POWER

0 shares of Common Stock. \*

Number of  
Shares

6

SHARED VOTING POWER

Beneficially

2,500,000 shares of Common Stock. \*

Owned by

7

SOLE DISPOSITIVE POWER

Each Reporting

Person With

8

0 shares of Common Stock. \*

SHARED DISPOSITIVE POWER

2,500,000 shares of Common Stock. \*

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,500,000 shares of Common Stock.

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

o

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

8.22%

12 TYPE OF REPORTING PERSON

OO

\* Based on 29,584,110 shares of the common stock, par value \$0.0001 per share (the "Shares") outstanding of Crdentia Corp., a Delaware corporation (the "Company"), as disclosed in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007. As of October 26, 2007, Valens Offshore SPV I, Ltd. ("Valens Offshore") held (i) a warrant (the "Warrant") to acquire 833,333 Shares, at an exercise price of \$0.35 per Share, subject to certain adjustments, and (ii) 1,666,667 Shares. Valens Offshore is managed by Valens Capital Management, LLC ("VCM"). Eugene Grin and David Grin, through other entities, are the controlling principals of VCM, and share voting and

investment power over the securities owned by Valens Offshore reported in this Schedule 13G.

---

CUSIP No. 225235308

13G

Page 4 of 10 Pages

1 NAME OF REPORTING PERSON:  
David Grin

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)   
(b)   
x

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
Israel

5

SOLE VOTING POWER

0 shares of Common Stock. \*

Number of  
Shares

6

SHARED VOTING POWER

Beneficially  
Owned by  
Each Reporting  
Person With

7

2,500,000 shares of Common Stock. \*

SOLE DISPOSITIVE POWER

8

0 shares of Common Stock. \*

SHARED DISPOSITIVE POWER

2,500,000 shares of Common Stock. \*

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING  
PERSON

2,500,000 shares of Common Stock.

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

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

8.22%

12 TYPE OF REPORTING PERSON

IN

\* Based on 29,584,110 shares of the common stock, par value \$0.0001 per share (the "Shares") outstanding of Crdentia Corp., a Delaware corporation (the "Company"), as disclosed in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007. As of October 26, 2007, Valens Offshore SPV I, Ltd. ("Valens Offshore") held (i) a warrant (the "Warrant") to acquire 833,333 Shares, at an exercise price of \$0.35 per Share, subject to certain adjustments, and (ii) 1,666,667 Shares. Valens Offshore is managed by Valens Capital Management, LLC ("VCM"). Eugene Grin and David Grin, through other entities, are the controlling principals of VCM, and share voting and investment power over the securities owned by Valens Offshore reported in this Schedule 13G.



CUSIP No. 225235308

13G

Page 5 of 10 Pages

## 1 NAME OF REPORTING PERSON:

Eugene Grin

## 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b) 

x

## 3 SEC USE ONLY

## 4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

o

5

SOLE VOTING POWER

0 shares of Common Stock. \*

Number of  
Shares

6

SHARED VOTING POWER

Beneficially

Owned by

Each Reporting

Person With

7

2,500,000 shares of Common Stock. \*

SOLE DISPOSITIVE POWER

8

0 shares of Common Stock. \*

SHARED DISPOSITIVE POWER

2,500,000 shares of Common Stock. \*

## 9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,500,000 shares of Common Stock.

## 10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

o

## 11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

8.22%

## 12 TYPE OF REPORTING PERSON

IN

\* Based on 29,584,110 shares of the common stock, par value \$0.0001 per share (the "Shares") outstanding of Crdentia Corp., a Delaware corporation (the "Company"), as disclosed in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007. As of October 26, 2007, Valens Offshore SPV I, Ltd. ("Valens Offshore") held (i) a warrant (the "Warrant") to acquire 833,333 Shares, at an exercise price of \$0.35 per Share, subject to certain adjustments, and (ii) 1,666,667 Shares. Valens Offshore is managed by Valens Capital Management, LLC ("VCM"). Eugene Grin and David Grin, through other entities, are the controlling principals of VCM, and share voting and investment power over the securities owned by Valens Offshore reported in this Schedule 13G.





CUSIP No. 225235308

13G

Page 6 of 10 Pages

Item 1(a). Name of Issuer: Crdentia Corp.

Item 1(b). Address of Issuer's Principal Executive Offices:  
5001 LBJ Freeway, Suite 850  
Dallas, TX 75244

Item 2(a). Name of Person Filing: Valens Offshore SPV I, Ltd.

This Schedule 13G is also filed on behalf of Valens Capital Management, LLC, a Delaware limited liability company, Eugene Grin and David Grin. Valens Capital Management, LLC manages Valens Offshore SPV I, Ltd. Eugene Grin and David Grin, through other entities, are the controlling principals of Valens Capital Management, LLC, and share voting and investment power over the shares owned by Valens Offshore SPV I, Ltd., and Valens Capital Management, LLC. Information related to each of Valens Offshore SPV I, Ltd., Valens Capital Management, LLC, Eugene Grin and David Grin is set forth on Appendix A hereto.

Item 2(b). Address of Principal Business Office or if none, Residence:  
c/o Valens Capital Management, LLC,  
335 Madison Avenue, 10th Floor, New York, NY 10017

Item 2(c). Citizenship: Cayman Islands

Item 2(d). Title of Class of Securities: Common Stock ("Common Stock")

Item 2(e). CUSIP Number: 225235308

Item 3. Not Applicable

Item 4. Ownership:

(a) Amount Beneficially Owned: 2,500,000 shares of Common Stock

(b) Percent of Class: 8.22%

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

(i) sole power to vote or to direct the vote: 0 shares of  
Common Stock.\*

---

CUSIP No. 225235308

13G

Page 7 of 10 Pages

- (ii) shared power to vote or to direct the vote: 2,500,000 shares of Common Stock. \*
- (iii) sole power to dispose or to direct the disposition of: 0 shares of Common Stock. \*
- (iv) shared power to dispose or to direct the disposition of: 2,500,000 shares of Common Stock. \*

Item 5. Ownership of Five Percent or Less of a Class:  
Not applicable

Item 6. Ownership of More than Five Percent on Behalf of Another Person:  
Not applicable

Item 7. Identification and Classification of Subsidiary Which Acquired the Securities: Not applicable

Item 8. Identification and Classification of Members of the Group:  
Not applicable

Item 9. Notice of Dissolution of Group: Not applicable

Item 10. Certification:

By signing below, I certify to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect

---

\* Based on 29,584,110 shares of the common stock, par value \$0.0001 per share (the "Shares") outstanding of Crdentia Corp., a Delaware corporation (the "Company"), as disclosed in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007. As of October 26, 2007, Valens Offshore SPV I, Ltd. ("Valens Offshore") held (i) a warrant (the "Warrant") to acquire 833,333 Shares, at an exercise price of \$0.35 per Share, subject to certain adjustments, and (ii) 1,666,667 Shares. Valens Offshore is managed by Valens Capital Management, LLC ("VCM"). Eugene Grin and David Grin, through other entities, are the controlling principals of VCM, and share voting and investment power over the securities owned by Valens Offshore reported in this Schedule 13G.

---

CUSIP No. 225235308

13G

Page 8 of 10 Pages

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.

November 1, 2007

---

Date  
Valens Offshore SPV I, Ltd.

By: /s/ Eugene Grin

---

Eugene Grin  
Authorized Signatory

---

APPENDIX A

A. Name: Valens Offshore SPV I, Ltd., a Delaware corporation  
335 Madison Avenue, 10th Floor  
New York, New York 10017

Place of Organization: Delaware

B. Name: Valens Capital Management, LLC, a Delaware limited liability company  
335 Madison Avenue, 10th Floor  
New York, New York 10017

Place of Organization: Delaware

C. Name: David Grin  
Business Address: 335 Madison Avenue, 10th Floor  
New York, New York 10017

Principal Occupation: Director of Laurus Master Fund, Ltd.  
Principal of Laurus Capital Management, LLC  
and Valens Capital Management, LLC  
Citizenship: Israel

D. Name: Eugene Grin  
Business Address: 335 Madison Avenue, 10th Floor  
New York, New York 10017

Principal Occupation: Director of Laurus Master Fund, Ltd.  
Principal of Laurus Capital Management, LLC  
and Valens Capital Management, LLC  
Citizenship: United States

---

Each of Valens Capital Management, LLC, Eugene Grin and David Grin hereby agree, by their execution below, that the Schedule 13G to which this Appendix A is attached is filed on behalf of each of them, respectively.

Valens Capital Management, LLC,

/s/ Eugene Grin

---

Eugene Grin  
Authorized Signatory  
November 1, 2007

/s/ David Grin

---

David Grin  
November 1, 2007

/s/ Eugene Grin

---

Eugene Grin  
November 1, 2007

---