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BLUEFLY INC
Form SC 13D/A
April 10, 2008

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

SCHEDULE 13D

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

BLUEFLY, INC.

(Name of Issuer)

Common Stock, \$0.01 par value per share

(Title of Class of Securities)

096227103

(CUSIP Number)

Maverick Capital, Ltd.
Attention: General Counsel
300 Crescent Court, 18th Floor
Dallas, Texas 75201
(214) 880-4000

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

April 8, 2008

(Date of Event Which Requires Filing of this Amendment)

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 ss. 240.13d-1(e), 240.13d-1(f) or 240.13d-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).

(Continued on following pages)

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SCHEDULE 13D

 CUSIP No. 096227103

 Page 2 of 9 Pages

 1 NAME OF REPORTING PERSONS
 Maverick Capital, Ltd.

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
 75-2482446

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

(a) []
 (b) [x]

 3 SEC USE ONLY

 4 SOURCE OF FUNDS (See Instructions)

OO

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

 6 CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

	7	SOLE VOTING POWER
		3,058,426*
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		0
	9	SOLE DISPOSITIVE POWER
		3,058,426*
	10	SHARED DISPOSITIVE POWER
		0

 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,058,426*

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

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SHARES (See Instructions)

[]

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

23.0%

 14 TYPE OF REPORTING PERSON (See Instructions)

IA

 *Includes warrants to purchase up to 19,796 shares of Common Stock, par value \$0.01 per share.

 CUSIP No. 096227103

 Page 3 of 9 Pages

 1 NAME OF REPORTING PERSONS

Maverick Capital Management, LLC

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

75-2686461

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

(a) []

(b) [x]

 3 SEC USE ONLY

 4 SOURCE OF FUNDS (See Instructions)

OO

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

[]

 6 CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

 | 7 | SOLE VOTING POWER

| |

| | 3,058,426*

 NUMBER OF | 8 | SHARED VOTING POWER

SHARES | |

BENEFICIALLY | | 0

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OWNED BY EACH REPORTING PERSON WITH	-----		
		9	SOLE DISPOSITIVE POWER
			3,058,426*

		10	SHARED DISPOSITIVE POWER
			0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
3,058,426*

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)
23.0%

14 TYPE OF REPORTING PERSON (See Instructions)
HC

*Includes warrants to purchase up to 19,796 shares of Common Stock, par value \$0.01 per share.

CUSIP No. 096227103

Page 4 of 9 Pages

1 NAME OF REPORTING PERSONS
Lee S. Ainslie III

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

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

(a) []
(b) [x]

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)
OO

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

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6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	United States	
	7	SOLE VOTING POWER
		3,058,426*
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		0
	9	SOLE DISPOSITIVE POWER
		3,058,426*
	10	SHARED DISPOSITIVE POWER
		0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	3,058,426*	
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)	
	23.0%	
14	TYPE OF REPORTING PERSON (See Instructions)	
	IN	

*Includes warrants to purchase up to 19,796 shares of Common Stock, par value \$0.01 per share.

CUSIP No. 096227103

Page 5 of 9 Pages

Item 1. Security and Issuer.

This Amendment No. 2 amends the Amendment No. 1 filed on March 28, 2008, which amended the Schedule 13D filed on June 15, 2006 (this "Amendment") and relates to the Common Stock, par value \$0.01 per share (the "Shares"), of Bluefly, Inc. (the "Issuer"), a Delaware corporation with its principal executive offices located at 42 West 39th Street, 9th Floor, New York, New York 10018.

Item 2. Identity and Background.

(a) This Amendment is being filed on behalf of each of the following persons (collectively, the "Reporting Persons"):

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- (i) Maverick Capital, Ltd. ("Maverick Capital"), a limited partnership organized under the laws of Texas;
- (ii) Maverick Capital Management, LLC ("Maverick"), a limited liability company organized under the laws of Texas; and
- (iii) Lee S. Ainslie III ("Mr. Ainslie"), a natural person.

(b) - (c) The Reporting Persons

Maverick Capital is a registered investment adviser under the Investment Advisers Act of 1940, as amended, that acts as investment manager of portfolio funds which hold Shares of the Issuer, as more particularly described in Item 6 below. Maverick Capital has its principal offices at 300 Crescent Court, 18th Floor, Dallas, Texas 75201.

Maverick's principal business purpose is to serve as general partner of Maverick Capital. Maverick has its principal offices at 300 Crescent Court, 18th Floor, Dallas, Texas 75201.

Mr. Ainslie is the manager of Maverick who is granted sole investment discretion pursuant to Maverick's limited liability company regulations. Mr. Ainslie has his principal office at 767 Fifth Avenue, 11th Floor, New York, New York 10153.

(d) - (e) During the past five years, to the best of the Reporting Persons' knowledge, none of the Reporting Persons have been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) 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 on finding any violation with respect to such laws.

(f) Mr. Ainslie is a citizen of the United States.

CUSIP No. 096227103

Page 6 of 9 Pages

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

On March 26, 2008, Maverick Capital, pursuant to the respective investment management agreements with Maverick Fund USA, Ltd. ("Fund USA"), Maverick Fund, L.D.C. ("Fund LDC") and Maverick Fund II, Ltd. ("Fund II" and together with Fund USA and Fund LDC, the "Portfolio Funds"), and on behalf of the Portfolio Funds entered into a Standby Commitment Agreement in relation to three million dollars (\$3,000,000) of debt financing (the "Commitment Amount"), by and among the Issuer, the Portfolio Funds and certain other investors (the "Commitment Agreement", a copy of which is incorporated by reference as Exhibit A and is incorporated herein by reference in response to this Item 3), pursuant to which the Portfolio Funds acquired warrants granting to the Portfolio Funds the right to subscribe for and purchase an aggregate of 197,979 Shares of the Issuer at an exercise price of \$0.44 per Share. Such warrants were amended and restated on April 8, 2008, with effect as of March 26, 2008, to give effect to the 1-for-10 reverse stock split ("Reverse Split") of Shares effective as of April 3, 2008, and to amend the exercise price of the

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warrants so as to equal the split-adjusted closing price of the Shares on March 25, 2008, the day immediately preceding the issuance of the warrants. The amended and restated warrants reflect an exercise price of \$5.10 per Share, i.e., the closing price of the Shares on the day immediately preceding the issuance of the warrants, and grant to the Portfolio Funds the right to subscribe for and purchase an aggregate of 19,796 Shares of the Issuer at the exercise price of \$5.10 per Share.

Each of the Portfolio Funds will use its own working capital to fund its portion of the purchase price for Shares acquired pursuant to the warrants.

Item 4. Purpose of Transaction.

The information set forth in Item 6 hereof is hereby incorporated by reference into this Item 4.

The Reporting Persons reserve the right to acquire, or cause to be acquired, additional securities of the Issuer, to dispose of, or cause to be disposed, such securities at any time or to formulate other purposes, plans or proposals regarding the Issuer or any of its securities, to the extent deemed advisable in light of general investment and trading policies of the Reporting Persons, market conditions or other factors.

CUSIP No. 096227103

Page 7 of 9 Pages

Item 5. Interest in Securities of the Issuer.

(a) - (b) According to information provided by the Issuer, the number of Shares outstanding was 13,289,984 as of April 8, 2008. The Reporting Persons may be deemed directly or indirectly, including by reason of their mutual affiliation, to be the beneficial owners of 3,058,426 Shares. Such Shares constitute approximately 23.0% of the issued and outstanding Shares.

Maverick is the general partner of Maverick Capital, and pursuant to the terms of Maverick's limited liability company regulations, Mr. Ainslie was appointed as manager of Maverick with sole investment discretion. As a result, Mr. Ainslie, directly and indirectly through Maverick Capital and Maverick, has the sole power to direct the vote and to direct the disposition of the 3,058,426 Shares.

(c) Except as disclosed in Item 3, none of the Reporting Persons has effected any transaction in the Shares during the past sixty days.

(d) To the best knowledge of the Reporting Persons, no other person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares beneficially owned by the Reporting Persons.

(e) Not applicable.

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

The original warrants were issued to the Portfolio Funds as more fully described in the Schedule 13D/A filed by Maverick with the SEC on

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March 28, 2008. The amended and restated warrants grant Fund USA the right to subscribe for and purchase 3,772 Shares ("Warrant No.3"), Fund LDC the right to subscribe for and purchase 8,557 Shares ("Warrant No.4"), and Fund II the right to subscribe for and purchase 7,467 Shares ("Warrant No.5"). Copies of Warrant No.3, Warrant No.4, and Warrant No.5 are incorporated by reference as Exhibits C, D, and E respectively, and are each incorporated herein by reference in response to this Item 6.

The foregoing descriptions of Warrant No.3, Warrant No.4, and Warrant No.5 do not purport to be complete and are qualified in their entirety by the terms of each such document which are incorporated herein by reference.

Except as set forth herein, in the Schedule 13D filed with the SEC on June 15, 2006 and in the Schedule 13D/A filed with the SEC on March 28, 2008, the Reporting Persons do not have any contracts, arrangements, understandings or relationships with respect to any securities of the Issuer.

Item 7. Materials to be Filed as Exhibits.

The information set forth in the Exhibit Index is incorporated herein by reference.

CUSIP No. 096227103

Page 8 of 9 Pages

SIGNATURES

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

Dated: April 10, 2008

MAVERICK CAPITAL, LTD.

By: Maverick Capital Management, LLC,
its General Partner

By: Lee S. Ainslie III, Manager

By: /s/ John T. McCafferty

John T. McCafferty
Under Power of Attorney dated
February 13, 2003

MAVERICK CAPITAL MANAGEMENT, LLC

By: Lee S. Ainslie III, Manager

By: /s/ John T. McCafferty

John T. McCafferty
Under Power of Attorney dated
February 13, 2003

LEE S. AINSLIE III

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By: /s/ John T. McCafferty

John T. McCafferty
Under Power of Attorney dated
February 13, 2003

CUSIP No. 096227103

Page 9 of 9 Pages

EXHIBIT INDEX

- A. Standby Commitment Agreement, dated as of March 26, 2008, by and among Quantum Industrial Partners LDC, SFM Domestic Investments LLC, Maverick Fund USA, Ltd., Maverick Fund, L.D.C., and Maverick Fund II, Ltd. (1)
- B. Power of Attorney, dated as of February 13, 2003, granted by Mr. Ainslie in favor of John T. McCafferty.(2)
- C. Amended and Restated Warrant issued to Maverick Fund USA, Ltd.
- D. Amended and Restated Warrant issued to Maverick Fund, L.D.C.
- E. Amended and Restated Warrant issued to Maverick Fund II, Ltd.

(1) Incorporated by reference to Maverick Capital's Schedule 13D/A filed with the SEC on March 28, 2008.

(2) Incorporated by reference to Maverick Capital's Schedule 13G filed with the SEC on February 14, 2003.