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GRIFFON CORP
Form SC 13D/A
March 15, 2007

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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)*

Griffon Corporation

(Name of Issuer)

Common Stock, par value \$0.25 per share

(Title of Class of Securities)

398433102

(CUSIP Number)

Marc Weingarten, 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)

March 13, 2007

(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)

* The remainder of this cover page shall be filled out for a reporting person's

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2,148,046

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

[]

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

7.2%

14 TYPE OF REPORTING PERSON*

IA; CO

* SEE INSTRUCTIONS

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PAGE 3 OF 10 PAGES

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

CLINTON MULTISTRATEGY MASTER FUND, LTD.

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

(a) []

(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

1,941,166

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

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1,941,166

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

1,941,166

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

[]

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

6.5%

14 TYPE OF REPORTING PERSON*

CO

* SEE INSTRUCTIONS

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

CLINTON SPECIAL OPPORTUNITIES MASTER FUND, LTD.

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

8 SHARED VOTING POWER

206,880

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EACH
REPORTING
PERSON WITH

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

206,880

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON

206,880

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

[]

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

0.7%

14 TYPE OF REPORTING PERSON*

CO

* SEE INSTRUCTIONS

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

GEORGE E. HALL

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

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NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 8 SHARED VOTING POWER
2,148,046

9 SOLE DISPOSITIVE POWER
-0-

10 SHARED DISPOSITIVE POWER
2,148,046

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
2,148,046

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
7.2%

14 TYPE OF REPORTING PERSON*
IN

* SEE INSTRUCTIONS

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

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

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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 | 2,148,046 |
| | 9 | SOLE DISPOSITIVE POWER | -0- |
| | 10 | SHARED DISPOSITIVE POWER | 2,148,046 |
| 11 | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON | | |
| | 2,148,046 | | |
| 12 | CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* | | |
| | [] | | |
| 13 | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) | | |
| | 7.2% | | |
| 14 | TYPE OF REPORTING PERSON* | | |
| | IN | | |

* SEE INSTRUCTIONS

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The Schedule 13D filed on December 20, 2006 by Clinton Group, Inc., a Delaware corporation ("CGI"), Clinton Multistrategy Master Fund, Ltd., a Cayman Islands company ("CMSF"), Clinton Special Opportunities Master Fund, Ltd., a Cayman Islands company ("CSO"), George E. Hall and Conrad Bringsjord (collectively, the "Reporting Persons"), with respect to the shares of Common Stock, par value \$0.25 per share (the "Shares"), of Griffon Corporation, a Delaware corporation (the "Issuer"), as previously amended by Amendment No. 1 dated February 7, 2007, is hereby amended as set forth herein by this Amendment No. 2.

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

Item 3 of the Schedule 13D is hereby amended and restated as follows:

Funds for the purchase of the Shares reported herein were derived from available capital of CMSF and CSO. A total of approximately \$50.7 million was paid to acquire such Shares.

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ITEM 4. PURPOSE OF TRANSACTION.

Item 4 of the Schedule 13D is hereby amended by the addition of the following:

On March 15, 2007, CGI delivered a letter to the Issuer's board of directors requesting that the board make changes to assure that the Issuer's shareholders have a legitimate means to be heard in the Issuer's governance and strategic direction. At a minimum, CGI requested that the Issuer amend its bylaws to (1) reduce the percentage of shareholder votes required to call a special meeting; (2) de-classify the board; (3) permit shareholders to remove directors without cause; and (4) prohibit the Issuer's Chief Executive Officer from serving as Chairman of the Issuer's board. The letter further calls for an end to Harvey Blau's "dual CEO" position and asks that senior officer employment agreements and pay packages be voted on by the Issuer's shareholders. A copy of this letter is attached hereto as Exhibit C and is incorporated herein by reference.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Paragraphs (a), (b) and (c) of Item 5 of the Schedule 13D are hereby amended and restated as follows:

(a) As of the close of business on March 14, 2007, the Reporting Persons beneficially owned an aggregate of 2,148,046 Shares, constituting approximately 7.2% of the Shares outstanding.

The aggregate percentage of Shares beneficially owned by the Reporting Persons is based upon 29,845,689 Shares outstanding, which is the total number of Shares outstanding as of January 31, 2007 as reported in the Issuer's Quarterly Report on Form 10-Q for the period ended December 31, 2006.

(b) By virtue of investment management agreements with each of CMSF and CSO, CGI has the power to vote or direct the voting, and to dispose or direct the disposition, of all of the 1,941,166 Shares held by CMSF and the 206,880 Shares held by CSO. By virtue of his direct and indirect control of CGI, George E. 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 position as managing director and senior portfolio manager of CGI, Conrad Bringsjord is also 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. Accordingly, CGI, George E. Hall and Conrad Bringsjord are deemed to have shared voting and shared dispositive power with respect to an aggregate of 2,148,046 Shares.

(c) Information concerning transactions in the Shares effected by the Reporting Persons since the most recent filing on Schedule 13D 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.

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

Item 6 of the Schedule 13D is hereby amended and restated as follows:

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The Reporting Persons may, from time to time, enter into and dispose of cash-settled equity swap or other similar derivative transactions with one or more counterparties that are based upon the value of Shares, which transactions may be significant in amount. The profit, loss and/or return on such contracts may be wholly or partially dependent on the market value of the Shares, the relative value of Shares in comparison to one or more other financial instruments, indexes or securities, a basket or group of securities in which Shares may be included, or a combination of any of the foregoing. In addition to the Shares that they beneficially own without reference to these contracts, the Reporting Persons currently have long economic exposure to 453,200 Shares through such contracts. These contracts do not give the Reporting Persons direct or indirect voting, investment or dispositive control over any securities of the Issuer and do not require the counterparties thereto to acquire, hold, vote or dispose of any securities of the Issuer. Accordingly, the Reporting Persons disclaim any beneficial ownership in any securities that may be referenced in such contracts or that may be held from time to time by any counterparties to such contracts.

Except as otherwise set forth herein, the Reporting Persons do not have any contract, arrangement, understanding or relationship with any person with respect to the securities of the Issuer.

Item 7. MATERIAL TO BE FILED AS EXHIBITS

Item 7 of the Schedule 13D is hereby amended and restated as follows:

- Exhibit A - Joint Filing Agreement dated December 20, 2006 (previously filed)
- Exhibit B - Letter to Issuer dated December 20, 2006 (previously filed)
- Exhibit C - Letter to Issuer dated March 15, 2007

| | | | |
|-----------|-----------|--------------|--------------------|
| ----- | | | ----- |
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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: March 15, 2007

CLINTON GROUP, INC.

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Comptroller

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

By: /s/ Francis Ruchalski

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Name: Francis Ruchalski
Title: Comptroller

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

By: /s/ Francis Ruchalski

Name: Francis Ruchalski
Title: Comptroller

/s/ George E. Hall

George E. Hall

/s/ Conrad Bringsjord

Conrad Bringsjord

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SCHEDULE B

TRANSACTIONS IN THE SHARES BY THE REPORTING PERSONS SINCE THE MOST
RECENT FILING ON SCHEDULE 13D

Clinton Multistrategy Master Fund, Ltd.

| Trade Date | Shares Purchased (Sold) | Price Per Share (\$) |
|------------|-------------------------|----------------------|
| ----- | ----- | ----- |
| 02/07/07 | 10,000 | 23.16 |
| 02/08/07 | 37,800 | 23.33 |
| 02/09/07 | 30,600 | 23.59 |
| 02/12/07 | 9,000 | 23.21 |
| 02/13/07 | 5,600 | 23.35 |
| 02/14/07 | 35,700 | 23.50 |
| 02/15/07 | 32,800 | 23.54 |
| 02/16/07 | 26,300 | 23.67 |
| 02/16/07 | (500) | 23.71 |
| 02/16/07 | 8,100 | 23.64 |
| 02/20/07 | 5,300 | 23.64 |
| 02/21/07 | 48,700 | 23.84 |
| 02/23/07 | 19,000 | 23.51 |
| 03/02/07 | 6,600 | 23.11 |
| 03/05/07 | 14,522 | 22.97 |
| 03/08/07 | 6,000 | 23.27 |
| 03/12/07 | 1,400 | 23.53 |

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03/13/07

5,000

23.56

Clinton Special Opportunities Master Fund, Ltd.

| Trade Date | Shares Purchased (Sold) | Price Per Share (\$) |
|------------|-------------------------|----------------------|
| 02/15/07 | 36,200 | 23.54 |
| 02/22/07 | (36,200) | 23.72 |
| 03/13/07 | 5,000 | 23.56 |