

Information Services Group Inc.
Form SC 13D
November 19, 2010

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

Information Services Group, Inc.
(Name of Issuer)

Common Stock, par value \$0.001 per share
(Title of Class of Securities)

45675Y104
(CUSIP Number)

Steven J. Pully
Carlson Capital, L.P.
2100 McKinney Avenue, Suite 1800
Dallas, TX 75201
(214) 932-9600

with a copy to
David E. Rosewater
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)

November 16, 2010
(Date of Event which Requires
Filing of this Schedule)

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.

* 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).

1 NAME OF REPORTING PERSON
Black Diamond Offshore Ltd.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Cayman Islands

| | | |
|----|-------------------------------------------------------------------|--------------------------|
| 7 | NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | SOLE VOTING POWER |
| | | 150,344 |
| 8 | | SHARED VOTING POWER |
| | | 0 |
| 9 | | SOLE DISPOSITIVE POWER |
| | | 150,344 |
| 10 | | SHARED DISPOSITIVE POWER |
| | | 0 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
150,344

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)
0.5%

14 TYPE OF REPORTING PERSON*
CO

1 NAME OF REPORTING PERSON
 Carlson Capital, L.P.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware

| | | |
|--------------|----|--------------------------|
| NUMBER OF | 7 | SOLE VOTING POWER |
| SHARES | | 2,540,090 |
| BENEFICIALLY | 8 | SHARED VOTING POWER |
| OWNED BY | | 0 |
| EACH | 9 | SOLE DISPOSITIVE POWER |
| REPORTING | | 2,540,090 |
| PERSON WITH | 10 | SHARED DISPOSITIVE POWER |
| | | 0 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
 2,540,090

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)
 7.9%

14 TYPE OF REPORTING PERSON*
 PN

CUSIP No. 45675Y104

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1 NAME OF REPORTING PERSON
 Asgard Investment Corp. II

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware

| | | |
|----|--------------------------|--------------------------|
| 7 | NUMBER OF SHARES | SOLE VOTING POWER |
| | | 2,540,090 |
| 8 | BENEFICIALLY OWNED BY | SHARED VOTING POWER |
| | | 0 |
| 9 | EACH | SOLE DISPOSITIVE POWER |
| | | 2,540,090 |
| 10 | REPORTING PERSON WITH | SHARED DISPOSITIVE POWER |
| | | 0 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
 2,540,090

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)
 7.9%

14 TYPE OF REPORTING PERSON*
 PN

CUSIP No. 45675Y104

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1 NAME OF REPORTING PERSON
 Asgard Investment Corp.

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware

| | | |
|------------------------------------------------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------|
| 7 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 8 9 10 | SOLE VOTING POWER 2,540,090 SHARED VOTING POWER 0 SOLE DISPOSITIVE POWER 2,540,090 SHARED DISPOSITIVE POWER 0 |
|------------------------------------------------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------|

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
 2,540,090

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)
 7.9%

14 TYPE OF REPORTING PERSON*
 PN

1 NAME OF REPORTING PERSON
 Clint D. Carlson

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

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 AF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware

| | | |
|----|--------------|--------------------------|
| 7 | NUMBER OF | SOLE VOTING POWER |
| | SHARES | 2,540,090 |
| 8 | BENEFICIALLY | SHARED VOTING POWER |
| | OWNED BY | 0 |
| 9 | EACH | SOLE DISPOSITIVE POWER |
| | REPORTING | 2,540,090 |
| 10 | PERSON WITH | SHARED DISPOSITIVE POWER |
| | | 0 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON
 2,540,090

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)
 7.9%

14 TYPE OF REPORTING PERSON*
 PN

Item 1. Security and the Issuer

This statement on Schedule 13D relates to shares (the "Shares") of common stock, \$0.001 par value per share ("Common Stock"), of Information Services Group, Inc. (the "Issuer"). The address of the principal executive offices of the Issuer is Two Stamford Plaza, 281 Tressor Boulevard, Stamford, CT 06901.

Item 2. Identity and Background

(a) This statement is filed by: (i) Double Black Diamond Offshore Ltd., a Cayman Islands exempted company ("Double Offshore Ltd."), (ii) Black Diamond Offshore Ltd., a Cayman Islands exempted company ("Offshore Ltd." and together with Double Offshore Ltd., the "Funds"), (iii) Carlson Capital, L.P., a Delaware limited partnership ("Carlson Capital"), (iv) Asgard Investment Corp. II, a Delaware corporation and the general partner of Carlson Capital ("Asgard II"), (v) Asgard Investment Corp., a Delaware corporation and the sole shareholder of Asgard II ("Asgard"), and (vi) Mr. Clint D. Carlson, President of Asgard II, Asgard and Carlson Capital (collectively, the "Reporting Persons"). The name, citizenship, present principal occupation or employment and business address of each director and executive officer of Asgard II and Asgard are set forth in Appendix A attached hereto.

(b) The principal business address of each Reporting Person is 2100 McKinney Avenue, Suite 1800, Dallas, TX.

(c) The principal business of the Funds is to invest in securities. The principal business of Carlson Capital is serving as the investment manager to the Funds and to a managed account. The principal business of Asgard II is serving as the general partner of Carlson Capital. The principal business of Asgard is serving as the sole shareholder of Asgard II and as the general partner of Carlson Capital GP, L.P.

(d) None of the Reporting Persons or persons listed on Appendix A has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons or persons listed on Appendix A has, during the last five years, been 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 or finding any violation with respect to such laws.

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

Item 3. Source and Amount of Funds or other Consideration

The Reporting Persons expended an aggregate of approximately \$20,907,973.93 to purchase 2,540,090 shares of Common Stock. The source of funds used to make the purchases reported herein is the working capital of the Funds, and no part of the purchase amount consists of borrowed funds.

Item 4. Purpose of Transaction

The Reporting Persons originally acquired the shares of Common Stock for investment in the ordinary course of its business because the Reporting Persons believed that the shares of Common Stock, when purchased, were undervalued and represented an attractive investment opportunity.

Except as set forth herein, the Reporting Persons have no present plan or proposal that would relate to or result in any of the matters set forth in subparagraphs (a)-(j) of Item 4 of Schedule 13D. The Reporting Persons have not entered into any agreement with any third party to act together for the purpose of acquiring, holding, voting or disposing of the Shares reported herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis and may engage in discussions with management, the board of directors, other shareholders of the Issuer and other relevant parties concerning the business, operations, management, governance, strategy and future plans of the Issuer or take other actions, including, without limitation, seeking representation on the board of directors of the Issuer. Depending on various factors including, without limitation, the Issuer's financial position and strategic direction, the outcome of the discussions and actions referenced above, actions taken by the board of directors, price levels of the Common Stock, other investment opportunities available to the Reporting Persons, conditions in the securities market 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, purchasing additional shares of Common Stock or selling some or all of their shares of Common Stock, engaging in short selling of or any hedging or similar transactions with respect to the shares of Common Stock, voting for or against and expressing support for or against any proposals of the board of directors of the Issuer or other shareholders of the Issuer and/or otherwise changing their intention with respect to any and all matters referred to in Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer

(a) The Reporting Persons may be deemed to beneficially own in the aggregate 2,540,090 Shares. Based upon a total of 32,105,708 outstanding shares of Common Stock, as reported in the Issuer's quarterly report on Form 10-Q for the period ending September 30, 2010, the Reporting Persons' Shares represent approximately 7.9% of the Common Stock outstanding.

(b) Carlson Capital, Asgard II, Asgard and Mr. Carlson have the power to vote and direct the disposition of (i) the 150,344 Shares reported herein as owned by Offshore Ltd. and (ii) the 2,389,746 Shares reported herein as owned by Double Offshore Ltd.

(c) No transactions in the Issuer's securities were effected by the Reporting Persons during the past sixty (60) days.

(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 of Common Stock.

(e) Not applicable.

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

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Other than the Joint Filing Agreement attached as Exhibit 1 hereto, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons named in Item 2 hereof and between such persons and any person with respect to any securities of the Issuer, including but not limited to transfer or voting of any other securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, divisions of profits or loss, or the giving or withholding of proxies.

Item 7. Material to Be Filed as Exhibits

Exhibit 1 Joint Filing Agreement, dated November 18, 2010.

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: November 18, 2010

BLACK DIAMOND OFFSHORE LTD.

By: Carlson Capital, L.P.,
its investment manager

By: Asgard Investment Corp. II,
its general partner

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

DOUBLE BLACK DIAMOND OFFSHORE LTD.

By: Carlson Capital, L.P.,
its investment manager

By: Asgard Investment Corp. II,
its general partner

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

CARLSON CAPITAL, L.P.

By: Asgard Investment Corp. II,
its general partner

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

ASGARD INVESTMENT CORP. II

By: /s/ Clint D. Carlson

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Name: Clint D. Carlson
Title: President

ASGARD INVESTMENT CORP.

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

CUSIP No. 45675Y104

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/s/ Clint D. Carlson
Clint D. Carlson

APPENDIX A

DIRECTORS AND EXECUTIVE OFFICERS OF ASGARD II AND ASGARD

The following sets forth the name, position, and principal occupation of each director and executive officer of Asgard Investment Corp. II and Asgard Investment Corp. II. Except as otherwise indicated, the business address of each director and officer is 2100 McKinney Avenue, Suite 1800, Dallas, TX. To the best of the Reporting Persons' knowledge, except as set forth in this Schedule 13D, none of the directors or executive officers of Asgard Investment Corp. II or Asgard Investment Corp. owns any Common Stock.

Asgard Investment Corp. II

| Name | Position | Principal Occupation | Citizenship |
|---------------|---------------------|----------------------|---------------|
| Clint Carlson | Director/President | Investment Manager | United States |
| Nancy Carlson | Secretary/Treasurer | Executive | United States |

Asgard Investment Corp.

| Name | Position | Principal Occupation | Citizenship |
|---------------|---------------------|----------------------|---------------|
| Clint Carlson | Director/President | Investment Manager | United States |
| Nancy Carlson | Secretary/Treasurer | Executive | United States |

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended, the undersigned agree to the joint filing on behalf of each of them of a Statement on Schedule 13D (including any and all amendments thereto) with respect to securities of Information Services Group, Inc., and further agree that this Joint Filing Agreement shall be included as an Exhibit to such joint filings.

The undersigned further agree that each party hereto is responsible for the timely filing of such Statement on Schedule 13D and any amendments thereto, and for the accuracy and completeness of the information concerning such party contained therein; provided, however, that no party is responsible for the accuracy or completeness of the information concerning any other party, unless such party knows or has reason to believe that such information is inaccurate.

This Joint Filing Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of November 18, 2010.

BLACK DIAMOND OFFSHORE LTD.

By: Carlson Capital, L.P.,
its investment manager

By: Asgard Investment Corp. II,
its general partner

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

DOUBLE BLACK DIAMOND OFFSHORE LTD.

By: Carlson Capital, L.P.,
its investment manager

By: Asgard Investment Corp. II,
its general partner

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

CARLSON CAPITAL, L.P.

By: Asgard Investment Corp. II,
its general partner

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

ASGARD INVESTMENT CORP. II

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

ASGARD INVESTMENT CORP.

By: /s/ Clint D. Carlson
Name: Clint D. Carlson
Title: President

/s/ Clint D. Carlson
Clint D. Carlson