

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 12B-25

Commission File Number 0-22563
CUSIP Number: 12512T102
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12512T201

NOTIFICATION OF LATE FILING

(Check One): Form 10-K Form 11-K Form 20-F
 Form 10-Q Form N-SAR

For Period Ended: DECEMBER 31, 1998

Transition Report on Form 10-K Transition Report on Form 10-Q
 Transition Report on Form 20-F Transition Report on Form N-SAR
 Transition Report on Form 11-K

For the Transition Period Ended: _____

Read attached instruction sheet before preparing form. Please print or type.

Nothing in this form shall be construed to imply that the Commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates: _____

PART I. REGISTRANT INFORMATION

Full name of registrant CDSI HOLDINGS INC.

Former name if applicable PC411, INC.

Address of principal executive office 100 S.E. SECOND STREET

City, State and Zip Code MIAMI, FLORIDA 33131

PART II. RULE 12b-25 (b) AND (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check appropriate box.)

(a) The reasons described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense;

(b) The subject annual report, semi-annual report, transition report on Form 10-K, 20-F, 11-K or Form N-SAR, or portion thereof will be filed on or before the 15th calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q, or portion thereof will be filed on or before the fifth calendar day following the prescribed due date; and

(c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III. NARRATIVE

State below in reasonable detail the reasons why Form 10-K, 11-K, 20-F, 10-Q, N-SAR or the transition report portion thereof could not be filed within the prescribed time period. (Attach extra sheets if needed.)

The registrant could not obtain all the required information necessary to complete the annual report on Form 10-K.

PART IV. OTHER INFORMATION

(1) Name and telephone number of person to contact in regard to this notification.

J. BRYANT KIRKLAND III 305 579-8000
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(Name) (Area code) (Telephone number)

(2) Have all other periodic reports required under Section 13 or 15 (d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrants were required to file such report(s) been filed? If the answer is no, identify report(s).

Yes No

(3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes No

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

CDSI HOLDINGS INC.
(Name of registrant as specified in charter.)

Has caused this notification to be signed on its behalf by the undersigned thereunto duly authorized.

Date 4/1/99 By /S/ J. Bryant Kirkland III
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J. Bryant Kirkland III
Vice President,
Chief Financial Officer and Treasurer

Part IV - Other Information - Section 3

For the year ended December 31, 1998, CDSI Holdings Inc. ("CDSI") will report revenues of approximately \$122,545 and a net loss applicable to common stock of \$2,356,807 compared to revenues of approximately \$143,132 and a net loss applicable to common stock of \$1,339,835 for the same period in 1997.

The decrease in revenues of approximately \$20,587 is due to the \$63,113 decrease in revenues associated with the Company's on-line electronic distribution service (the "PC411 Service") and an increase of revenues of \$42,526 associated with the Company's subsidiary, Controlled Distribution Systems, Inc. ("CDS"), which markets an inventory control system for tobacco products. The Company acquired CDS in May, 1998 and contributed the non-cash assets and certain liabilities of the PC411 Service to Digital Asset Management Inc. ("DAMI") on November 5, 1998. The Company received preferred stock representing an initial 42.5% interest in DAMI in exchange for the PC411 Service.

The increase in net loss applicable to common stock of \$1,016,972 is due primarily to an increase in the PC411 Service's loss of \$201,878, CDS' loss of \$937,407 and a net loss of \$133,874 from an equity loss in DAMI offset by the absence of interest expense (\$94,002 in 1997) and preferred dividends (\$132,679 in 1997) in 1998.