

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Schedule 13D\*\*

Under the Securities Exchange Act of 1934  
(Amendment No. 1)\*

VTEL Corporation  
(Name of Issuer)

Common Stock  
(Title of Class of Securities)

918333105  
(Cusip Number)

Barbara E. Shields  
3113 S. University Drive  
Suite 500  
Fort Worth, Texas 76109  
(817) 335-8282

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

December 27, 2000  
(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 which 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 [ ].

\*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).

\*\*The total number of shares of stock reported herein is 1,610,600, which constitutes approximately 6.5% of the total number of shares outstanding. All ownership percentages set forth herein assume that there are 24,824,352 shares outstanding.

1. Name of Reporting Person:

Marathon Fund, L.P.

2. Check the Appropriate Box if a Member of a Group:

(a) / /

(b) / X /

3. SEC Use Only

4. Source of Funds: OO (Funds Received from Advisory Clients)

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: 540,000 (1)  
Number of

Units  
Beneficially 8. Shared Voting Power: -0-  
Owned By  
Each  
Reporting 9. Sole Dispositive Power: 540,000 (1)  
Person  
With  
10. Shared Dispositive Power: -0-  
11. Aggregate Amount Beneficially Owned by Each Reporting Person:  
540,000  
12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Units:  
/ /  
13. Percent of Class Represented by Amount in Row (11): 2.2%  
14. Type of Reporting Person: PN  
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(1) Power is exercised through its general partner, Marathon Fund  
Management, L.P.

1. Name of Reporting Person:  
Corbin & Company  
2. Check the Appropriate Box if a Member of a Group:  
(a) / /  
(b) / X /  
3. SEC Use Only  
4. Source of Funds: OO (Funds Received from Advisory Clients)  
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: -0-  
Number of  
Units  
Beneficially 8. Shared Voting Power: 933,950 (1)  
Owned By  
Each  
Reporting 9. Sole Dispositive Power: -0-  
Person  
With  
10. Shared Dispositive Power: 933,950 (1)  
11. Aggregate Amount Beneficially Owned by Each Reporting Person:  
933,950  
12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Units:  
/ /  
13. Percent of Class Represented by Amount in Row (11): 3.8%  
14. Type of Reporting Person: IA  
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(1) Power is exercised through its Chairman, President and Chief  
Investment Officer, David A. Corbin.

1. Name of Reporting Person:

Western Research & Management, L.L.C.

2. Check the Appropriate Box if a Member of a Group:

(a) / /

(b) / X /

3. SEC Use Only

4. Source of Funds: OO (Funds Received from Advisory Clients)

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: -0-

Number of  
Units

Beneficially 8. Shared Voting Power: 134,150 (1)

Owned By  
Each

Reporting 9. Sole Dispositive Power: -0-

Person  
With

10. Shared Dispositive Power: 134,150 (1)

11. Aggregate Amount Beneficially Owned by Each Reporting Person:

134,150

12. Check Box if the Aggregate Amount in Row (11) Excludes Certain Units:

/ /

13. Percent of Class Represented by Amount in Row (11): 0.5%

14. Type of Reporting Person: IA

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(1) Power is exercised through its President and Chief Investment Officer,  
Donald M. Woodard, Jr.

Pursuant to Rule 13d-2(a) of Regulation 13D-G of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Act"), the undersigned hereby amend their Schedule 13D Statement dated November 17, 2000 (the "Schedule 13D"), relating to the Common Stock, (the "Stock"), of VTEL Corporation (the "Issuer"). Unless otherwise indicated, all defined terms used herein shall have the same meanings respectively ascribed to them in the Schedule 13D.

Item 2. IDENTITY AND BACKGROUND.

Item 2 is hereby amended and restated in its entirety as follows:

(a) Pursuant to Regulation 13D-G of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Act"), the undersigned hereby files this Schedule 13D Statement on behalf of Marathon Fund, L.P. ("Marathon"), Corbin & Company ("Corbin & Co.") and Western Research & Management, L.L.C. ("Western") (collectively, the "Reporting Persons"). Additionally, pursuant to Instruction C to Schedule 13D, information is included herein with respect to Marathon Fund Management, L.P. ("Marathon Management"), Siria, L.L.C., ("Siria"), Donald M. Woodard, Jr. ("Woodard") and David A. Corbin ("Corbin") (the "Controlling Persons"). The Reporting Persons and the Controlling Persons are sometimes hereinafter collectively referred to as the "Item 2 Persons."

(b) - (c)

MARATHON

Marathon is a Texas limited partnership, the principal business of which is investing in marketable securities. The principal business address of Marathon, which also serves as its principal office, is 3113 S. University Drive, Suite 500, Fort Worth, Texas 76109.

MARATHON MANAGEMENT

Marathon Management is a Texas limited partnership, the principal business of which is serving as the general partner of Marathon. The principal business address of Marathon Management, which also serves as its principal office, is 3113 S. University Drive, Suite 500, Fort Worth, Texas 76109.

WESTERN

Western is a Texas limited liability company, the principal business of which is investing in marketable securities. The principal business address of Western, which also serves as its principal office, is University Centre I, 1300 S. University Drive, Suite 600, Fort Worth, Texas 76107. Pursuant to Instruction C to Schedule 13D of the Act, the name, residence or business address, and present principal occupation or employment of each member, executive officer and controlling person of Western are as follows:

Name	Residence or Business Address	Principal Occupation or Employment
Donald M. Woodard, Jr.	University Centre I 1300 S. University Dr. Suite 600 Fort Worth, Texas 76107	President and member of Siria and President and Chief Investment Officer of Western

SIRIA

Siria is a Texas limited liability company, the principal business of which is serving as the general partner of Marathon Management. The principal business address of Siria, which also serves as its principal office, is 3113 S. University Drive, Suite 500, Fort Worth, Texas 76109. Pursuant to Instruction C to Schedule 13D of the Act, the name, residence or business address, and present principal occupation or employment of each member, executive officer and controlling person of Siria are as follows:

Name	Residence or Business Address	Principal Occupation or Employment
Donald M. Woodard, Jr.	University Centre I 1300 S. University Dr. Suite 600 Fort Worth, Texas 76107	President and member of Siria and President and Chief Investment Officer of Western
David A. Corbin	3113 S. University Dr. Suite 500 Fort Worth, Texas 76109	Chairman, President and Chief Investment Officer of Corbin & Co., Secretary, Treasurer and member of Siria

WOODARD

Woodard is the President and Chief Investment Officer for Western Research and Management, L.L.C., an investment advisory firm, and the President and a member of Siria. The principal business address of Woodard, which also serves as his principal office, is University Centre I, 1300 S. University Drive, Suite 600, Fort Worth, Texas 76107.

CORBIN & CO.

Corbin & Co. is a Texas corporation, the principal business of which is providing investment advisory services to third parties. The principal business address of Corbin & Co., which also serves as its principal office, is 3113 S. University Drive, Suite 500, Fort Worth, Texas 76109. Pursuant to Instruction C to Schedule 13D of the Act, the name, residence or business address, and present principal occupation or employment of each director, executive officer and controlling person of Corbin & Co. are as follows:

Name	Residence or Business Address	Principal Occupation or Employment
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David A. Corbin	3113 S. University Dr. Suite 500 Fort Worth, Texas 76109	Chairman, President and Chief Investment Officer of Corbin & Co.
David F. Corbin	3113 S. University Dr. Suite 500 Fort Worth, Texas 76109	Chief Financial Officer/ Chief Operations Officer of Corbin & Co.
Barbara E. Shields	3113 S. University Dr. Suite 500 Fort Worth, Texas 76109	Vice President for Client Relations and Legal Affairs, Corbin & Co.

CORBIN

Corbin is the Chairman, President and Chief Investment Officer of Corbin & Co. and a member of Siria. The principal business address of Corbin, which also serves as his principal office, is 3113 S. University Drive, Suite 500, Fort Worth, Texas 76109.

(d) None of the entities or persons identified in this Item 2 has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the entities or persons identified in this Item 2 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 a violation with respect to such laws.

(f) All of the natural persons identified in this Item 2 are citizens of the United States of America.

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

Item 3 is hereby amended and restated in its entirety as follows:

The source and amount of the funds used by the Item 2 Persons to purchase shares of the Stock are as follows:

REPORTING PERSON	SOURCE OF FUNDS	AMOUNT OF FUNDS
Marathon	Other (1)	\$1,613,005.64
Corbin & Co.	Other (1)	\$4,399,777.90 (2)
Western	Other (1)	\$ 538,907.28 (3)
Woodard	Personal funds	\$ 7,151.85

(1) Funds were received from investment advisory clients.

(2) This figure represents the total amount expended by Corbin & Co. for all purchases of shares of the Stock without subtracting transfers to clients in connection with the closing of client accounts (with such transfers being valued at cost); therefore, such figure does not represent Corbin & Co.'s net investment in shares of the Stock. Corbin & Co.'s net investment in shares of the Stock is \$3,220,940.08.

(3) Western's net investment, less closed accounts, is \$494,052.07.

Item 4. PURPOSE OF TRANSACTION.

Item 4 is hereby restated in its entirety as follows:

The Issuer's Board of Directors has informed the Reporting Persons that the Board does not presently intend to pursue any of the recommendations contained in the Reporting Persons' letter to the Board dated November 9, 2000, a copy of which was filed as an exhibit to the Schedule 13D. Notwithstanding the Board's negative response, the Reporting Persons intend to continue to communicate with the Issuer regarding ways to maximize shareholder value.

The Reporting Persons acquired the shares of the Stock reported herein for investment purposes. Depending on market conditions and other factors

that the Reporting Persons may deem material to their investment decisions, the Reporting Persons may purchase additional shares of the Stock in the open market or in private transactions. Depending on the same factors, the Reporting Persons may sell all or a portion of the shares of the Stock on the open market or in private transactions.

Except as set forth in this Item 4, the Reporting Persons have no present plans or proposals that relate to or that would result in any of the actions specified in clauses (a) through (j) of Item 4 of Schedule 13D of the Act.

Item 5. INTEREST IN SECURITIES OF THE ISSUER.

Item 5 is hereby amended and restated in its entirety as follows:

(a)

Reporting Persons

MARATHON

The aggregate number of shares of the Stock that Marathon owns beneficially, pursuant to Rule 13d-3 of the Act, is 540,000, which constitutes approximately 2.2% of the outstanding shares of the Stock.

CORBIN & CO.

The aggregate number of shares of the Stock that Corbin & Co. owns beneficially, pursuant to Rule 13d-3 of the Act, is 933,950, which constitutes approximately 3.8% of the outstanding shares of the Stock.

WESTERN

The aggregate number of shares of the Stock that Western owns beneficially, pursuant to Rule 13d-3 of the Act, is 134,150, which constitutes approximately 0.5% of the outstanding shares of the Stock.

Controlling Persons

MARATHON MANAGEMENT

Because of its position as general partner of Marathon, Marathon Management may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of 540,000 shares of the Stock, which constitutes approximately 2.2% of the outstanding shares of the Stock.

SIRIA

Because of its position as general partner of Marathon Management, the general partner of Marathon, Siria may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of 540,000 shares of the Stock, which constitutes approximately 2.2% of the outstanding shares of the Stock.

WOODARD

Because of his position as President of Siria, the general partner of Marathon Management, the general partner of Marathon, and his position as President and Chief Investment Officer of Western, Woodard may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of 674,150 shares of the Stock in the aggregate, which, in addition to his personal holdings of 2,500 shares of the Stock, constitutes approximately 2.7% of the outstanding shares of the Stock.

CORBIN

Because of his positions as Chairman, President and Chief Investment Officer of Corbin & Co., Corbin may, pursuant to Rule 13d-3 of the Act, be deemed to be the beneficial owner of 933,950 shares of the Stock, which constitutes approximately 3.8% of the outstanding shares of the Stock.

To the best of the knowledge of the Reporting Persons, other than as set forth above, none of the Item 2 Persons is the beneficial owner of any shares of the Stock.

(b)

## Reporting Persons

### MARATHON

Acting through Woodard, the President of Siria, the general partner of Marathon Management, the general partner of Marathon, Marathon has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 540,000 shares of the Stock.

### CORBIN & CO.

Acting through Corbin, its Chairman, President and Chief Investment Officer, Corbin & Co. has the shared power to vote or to direct the vote and to dispose or to direct the disposition of 933,950 shares of the Stock.

### WESTERN

Acting through Woodard, its President and Chief Investment Officer, Western has the shared power to vote or to direct the vote and to dispose or direct the disposition of 134,150 shares of the Stock.

## Controlling Persons

### MARATHON MANAGEMENT

As the general partner of Marathon, Marathon Management has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 540,000 shares of the Stock.

### SIRIA

As the general partner of Marathon Management, the general partner of Marathon, Siria has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 540,000 shares of the Stock.

### WOODARD

As the President of Siria, the general partner of Marathon Management, the general partner of Marathon, Woodard has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 540,000 shares of the Stock. As the President and Chief Investment Officer of Western, Woodard has the shared power to vote or to direct the vote and to dispose or to direct the disposition of 134,150 shares of the Stock. As an individual holder of the Stock, Woodard has the sole power to vote or to direct the vote and to dispose or to direct the disposition of 2,500 shares of the Stock.

### CORBIN

As Chairman, President and Chief Investment Officer of Corbin & Co., Corbin has the shared power to vote or to direct the vote and to dispose or to direct the disposition of 933,950 shares of the Stock.

(c) Since their last filing, Corbin & Co., Marathon and Western have purchased and sold shares of the Stock in open market transactions over the counter as follows:

REPORTING PERSON	DATE	NUMBER OF SHARES PURCHASED OR SOLD	PRICE PER SHARE
Corbin & Co.*	11/10/00	32,200 (P)	\$ 1.99
Marathon	12/07/00	5,000 (P)	\$ 1.38
Marathon	12/15/00	40,000 (P)	\$ 1.33
Corbin & Co.	12/20/00	2,500 (P)	\$ 1.03
Marathon	12/20/00	50,000 (P)	\$ 1.15
Marathon	12/21/00	45,000 (P)	\$ 0.99
Corbin & Co.	12/22/00	35,050 (P)	\$ 0.94
Corbin & Co.	12/22/00	35,050 (S)	\$ 0.94
Corbin & Co.	12/26/00	100,000 (P)	\$ 0.95
Corbin & Co.	12/27/00	120,000 (P)	\$ 0.94
Western	12/29/00	5,000 (S)	\$ 0.88

\* Corrected transaction information.

In addition, on November 26, 2000, November 28, 2000, and December 22, 2000, Western transferred 1,300 shares, 1,400 shares and 10,333 shares, respectively, to clients in connection with the closing of client accounts.

Except as set forth in this paragraph (c), to the best of the knowledge of the Reporting Persons, none of the Item 2 Persons have effected any transactions in the Stock during the past 60 days.

(d) All of the shares of the Stock reported herein, with the exception of the Stock held by Woodard individually, are owned by Marathon or the advisory clients of Corbin & Co. and Western, who have the sole right to receive and the sole power to direct the receipt of dividends from, or the proceeds from the sale of, such shares of the Stock. To the best knowledge of Marathon, Corbin & Co. and Western, no client of Marathon, Corbin & Co. and Western has an interest in dividends or sale proceeds that relates to 5% or more of the outstanding shares of the Stock.

(e) Not applicable.

Item 7. MATERIAL TO BE FILED AS EXHIBITS.

Exhibit 99.1 -- Letter from Marathon to the Issuer's Board of Directors, dated November 9, 2000, previously filed.

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.

DATED: January 5, 2001

MARATHON FUND, L.P.

By: Marathon Fund Management, L.P.,  
general partner

By: Siria, L.L.C., general partner

By: /s/ Donald M. Woodard, Jr.  
Donald M. Woodard, Jr., President

CORBIN & COMPANY

By: /s/ Barbara E. Shields  
Barbara E. Shields, Vice President  
for Client Relations and Legal Affairs

WESTERN RESEARCH & MANAGEMENT, L.L.C.

By: /s/ Donald M. Woodard, Jr.  
Donald M. Woodard, Jr., President

EXHIBIT INDEX

EXHIBIT                      DESCRIPTION

99.1    Letter from Marathon to the Issuer's Board of Directors, dated November 9, 2000, previously filed.

