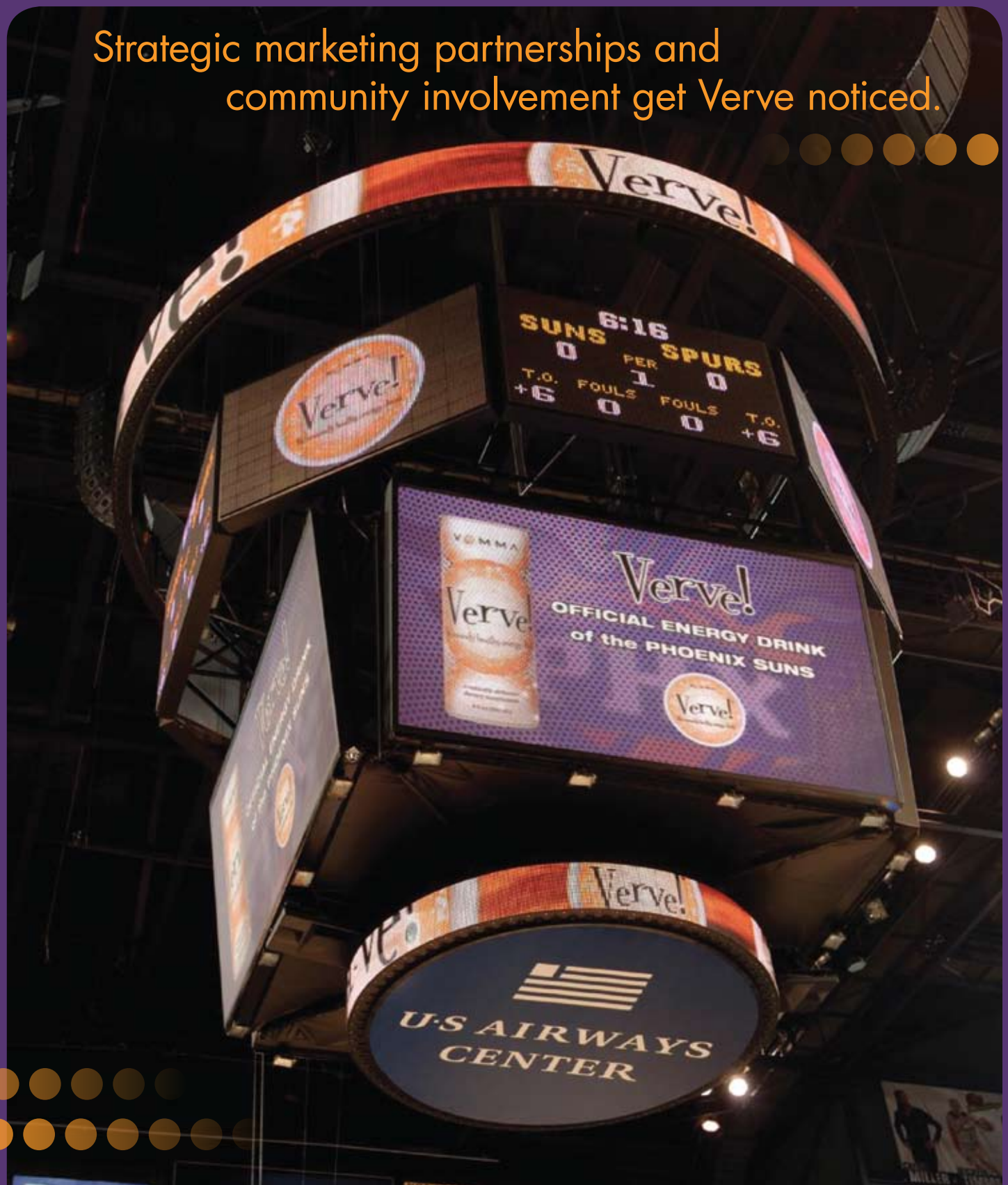


Verve!

Hybrid Marketing
That's a Slam Dunk!

Strategic marketing partnerships and
community involvement get Verve noticed.





Advertising can be one of the trickiest parts of being an entrepreneur. Which advertising method will get the best results for your company? The average person is bombarded with close to 3,000 ad messages a day—each competing to pull them in a different direction. How does a company make its product stand out?

When a company as innovative as Vemma® needs to generate awareness of a new product as unique as Verve, their insanely healthy energy drink, that calls for some out-of-the-box thinking.

Marketing experts agree that for inspiring new business, word-of-mouth is a proven system. Vemma shifted it into overdrive with a new concept: hybrid marketing. The concept combines the best of network and retail marketing. Then it uses the power of the Internet to help members' businesses really score.

Online business is booming. Today's consumers are at ease with ordering goods of all kinds online and having them delivered directly to their doors. Even in these uncertain economic times, Internet sales are up 17 percent. People seem to love the no-hassle approach to online ordering. Amazon.com sales closed out last year at \$10 billion. To take advantage of this important economic trend, Verve gives its members a dynamic online presence.

But e-commerce doesn't stop with product orders. The popularity of Web sites like MySpace.com shows that social networking is here to stay, and Vemma takes advantage of it. Vemma encourages members to "network with a purpose," says Vemma Founder and CEO BK Boreyko. "People know people. That will never change. What we are changing is the topic of conversation. Our business model can be really summed up as Amazon.com meets MySpace, and the market for this concept has never been bigger. A recent survey of 19- to 39-year-olds showed that only 9 percent were satisfied with their financial condition."

Combining the aspects of online ordering, social networking and even special Web sites creates a powerful tool for accelerating business. As a result, the potential for marketing the product is huge.

"You basically start with a clean sheet of paper and ask any type of business owner or entrepreneur what would be the best way to



BK Boreyko, Vemma President and CEO



introduce Verve into their social network of contacts,” BK says. “This is the first time in my 20-year career that I’ve encountered a product with this much potential and momentum behind it.”

Here Come the Suns

A perfect example of the credibility of Vemma’s hybrid marketing concept is the company’s partnership with professional sports teams and athletes. These multimillion-dollar sports franchises have even joined Vemma as members, enhancing success all around.

The National Basketball Association’s Phoenix Suns and the WNBA World Champion Phoenix Mercury basketball teams have joined Vemma as members, gaining all the benefits of Verve sales that each individual member receives.

For these teams, Vemma was a logical step. The teams chose Verve to bring positive nutritional benefits along with energy to their fan bases. They sell Verve at several arena concession stands and promote the partnership through a huge, 42-foot arena banner, on their Web site and through the Verve Energy Meter—used in the third and fourth quarters of the games. These efforts provide



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lots of exposure and name recognition, not just in Phoenix but all over the country during nationally televised games. The combined effort helps support product sales and credibility around the country.

The strategic partnership between these high-profile professional sports teams and Verve has increased the individual member’s potential for income. It also extends into a hip, new nightclub, the Verve Energy Lounge, which attracts an important market segment. Like the marketing concept, the club is a hybrid. It is on the second floor of the US Airways Center in Phoenix, where fans can socialize as they watch the game. And it’s also virtual, as fan photos are posted on the



..... site after each home game.
“People are blown away when they walk into the lounge on game nights, and they are impressed when they visit the Web site,” BK says. “It’s a win-win for us and the Suns. The credibility of these organizations is transferred through the brand to help even the newest Vemma member succeed. If professional sports teams, professional athletes and major corporations see the big picture and join as Vemma members, how can a prospect not?”

The teams were also quick to realize the earning potential to their franchises through the Vemma bonus plan. “I get it,” says Phoenix Suns President Rick Welts. “The more we promote the Verve brand, the higher our earning potential. At the same time, we show our fans we care about their health.”

Building Brand Buzz

The Suns and the Mercury are just two of the sports franchises that have recognized the perfect pairing of Verve and their team. All year, teams and professional athletes have climbed aboard Verve’s high-octane bandwagon.

The National Hockey League’s Phoenix Coyotes and the Arena Football League’s Los Angeles Avengers chose Verve as their

official energy drink, introducing their respective fan bases to Verve's benefits.

"Every sports team wants their fans energized and with the Verve brand, we see a unique way to accomplish this in a new, hip and fresh way," says Jeff Shumway, CEO of the Phoenix Coyotes. "This year the Phoenix Coyotes organization is launching a green initiative and this healthy energy concept fits in perfectly. We want our fans to know we care about them and their families' health. On top of that, we have a new business model that allows our franchise to tap into the \$5 billion energy drink market by introducing a Verve home delivery option to our fan base all over North America. Nobody in the beverage category can bring this kind of opportunity to a professional sports team and we're very excited about the potential."

The Los Angeles Avengers see the partnership as a perfect fit, too.

"Our partnership with Verve matches the enthusiasm our fans bring to each game. In comparing Verve's healthy benefits against the competition, Verve is a breakthrough," says Avengers Executive Vice President Matt Wikstrom. "With Verve, we are looking forward to sharing a new kind of energy with our fans all season long."

The excitement extends even onto the race track—including racers on four wheels and just two.

Competitive Edge

NASCAR Craftsman Truck Series Leader Johnny Benson, recipient of the most popular

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driver award for the past two years, proudly sports the Vemma name on his No. 23 Toyota Tundra. The popularity of NASCAR racing, capped by the fame and success of Benson himself, means that millions of fans at the track and on television are exposed repeatedly to the Vemma brand as No. 23 laps the track. Benson thinks the relationship is a win-win situation.

"Having Vemma on board is going to give us even more of a competitive edge," Benson says. "This team pushes it to the max, and I'm excited to know that Vemma's powerful antioxidant formula has what my body needs to compete for a win." And win they did at this year's Power Stroke Diesel 200.

Verve has co-sponsored the three-car Tommy Constantine Racing team in the KONI Challenge Series GS class, as well

as the Grand Am Rolex Sports Car Series. With Constantine or teammate Mike Borkowski behind the wheel, Nos. 28 and 46 BMW M3s and the No. 53 BMW M6 will give competitors the race of their lives. The cars, emblazoned with the Verve name right on the door, are even featured front and center on the Tommy Constantine Racing Web site. Constantine is excited about the sponsorship. "We are thrilled to be working with such well-known, new and exciting brands, as well as with this very capable team," he says.

United Speed Alliance Racing's Hooter's ProCup Series welcomed the new Verve Energy Drink team this spring. Brett Butler has consistently steered the No. 99 Ford Fusion Verve Energy Drink Team into the top 10.





Brand Synergy

That top competitors and teams in so many athletic arenas have partnered with Vemma and Verve speaks volumes. Team management and individual athletes alike recognize that sports and nutrition are natural allies, and that Verve and Vemma benefit athletes and fans alike.

“Verve is really three products in one,” BK says. “First, it’s a fast-acting energy drink; second, it’s an ultra-premium vitamin and mineral supplement; and third, it’s a super juice with its mangosteen and aloe base.* Companies have built empires around any one of those categories. We put all three in one can and made it taste incredible.”

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“Verve tastes great, and they are really aggressive in building their brand,” Butler says. “I think together we are going to make this one of the most talked-about sponsorships in racing this year.”

Fans of two-wheeled motorsports racing can watch for Johnny Rock Page’s No. 269 superbike in the American Motorcyclist Association PRO races. Page is a Verve spokesman and winner of the Unlimited Superbike Expert and Unlimited Supersport Expert at the 2007 Daytona Nationals CCS Race of Champions. With his lightning-quick reflexes, finesse and outright speed, Page embodies the spirit of Verve.

“I’m very excited about this partnership and honored to represent such a great product,” he says. “Verve not only gives me the energy I need, but the vitamins as well, which allows me to race longer without the ensuing crash linked with other energy drinks.”

Each Verve or Vemma sponsorship helps open doors for members and gives them a unique way to help bring others into the business or to introduce them to the products. “The better and more credible we make Vemma and Verve look, the easier it is for our members to excitedly share it with others,” BK says.



BK also notes that Verve is a good brand match with athletes and sports organizations because of their mutual focus on health, and because they share a target audience. And there’s another compelling reason: The energy drink market is exploding.

“With over \$5 billion in energy drink sales in 2007, that total is predicted to explode to \$10 billion within the next three years,” BK forecasts. “What we offer the average person is the opportunity to plug into the energy drink market with a massively consumable product that stands alone and is creating an entirely new category. As we begin to roll out Verve worldwide, the numbers will be staggering.”

**This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure or prevent any disease.*