



TAKING IT TO THE TOP

Taking a company public is not a decision made lightly. Such a venture is fraught with legalities and strict regulations.

Going public is not for the faint of heart either. Many CEOs find themselves swamped with issues to resolve and overwhelmed by increased work loads.

And then there are the myriad details to contend with in every phase of going public. No CEO can even attempt the process without having a phalanx of professionals to guide and ease the way.

Here's one client's experience.

Product With a Huge Market

Propalms, Ltd. – a United Kingdom based company – held the global license rights to TSE, a valuable software program.

TSE is a fully developed server-based computing (SBC) program that allows users to manage and operate all their desktop and hand held device software applications centrally rather than on each individual unit. TSE also gives users access to any software application in their entire network.

The 2005 estimate of the SBC market was \$3.5 billion. And, with computer networks becoming increasingly complex, market growth was being driven at upwards of 20% per year.

Unique Selling Proposition

TSE has been generating steady sales and enjoying a strong, loyal customer base, including high-profile names like Dow Corning, Price Waterhouse Coopers, Unisource of Canada and more.

TSE's double-whammy market advantage is its price and ease of use. An article in *Network Computing Magazine* stated that "The

average initial price paid by a Citrix user [their nearest rival] was \$649 compared to \$115 for TSE."

"WOW!" user reviews for TSE are common. One IT Director reported: *"We evaluated both Citrix and TSE software and found that TSE was much simpler to use and gave us all the functionality of Citrix at a fraction of the cost. TSE was so easy to use that our staff were up and running in no time."*



Ready For The Next Level

Owen Dukes, CEO, and Robert Zysblat, President and CFO, comprise the expert management team leading Propalms. They'd spent the preceding 18 months solidifying the company's infrastructure, expanding its global distributor and reseller network, and adding vast numbers of new customers.

They have a company with excellent cash flows. They have a proven product in demand worldwide with significant market advantages.

Owen and Robert realized that to take their company up to the next level, they'd need an infusion of capital. Knowing that publicly traded companies have a far easier time raising capital because their stock has market value and can be traded, they opted to take the company public using the small

cap stock exchanges here in the States.

Rigorous Due Diligence

The path Owen and Robert chose for Propalms first led them to Ben Grocock, a highly talented and respected SEC attorney. Over the years, Ben has worked closely with Big Apple Consulting USA. Together, with BAC's divisions and partners included, they form a cohesive, well-seasoned team that has successfully helped many privately-held companies become publicly traded corporations.

Robert relates that "The first thing Marc Jablon, President of Big Apple Consulting USA, did with Propalms was put us and our business plan under the microscope to make sure we were a viable candidate for going public and that we had the strength to weather varying market conditions."

A reverse merger was recommended as the fastest, easiest, and least costly way to do it. Mark Kaley, President of MJMM Investments, a wholly owned subsidiary of Big Apple, explains, "A reverse merger is a transaction whereby the shareholders of Propalms, Ltd. gain control of an inactive public company – one with an existing stock symbol – by purchasing its shares in a private sale. Sounds simple. It's not."

Marc Jablon and Mark Kaley were able to locate a shell through a licensed boutique investment bank – Belmont Partners – which is also a BAC partner. An intense amount of research was necessary and, between Marc, Mark, Ben, and the people at Belmont, they uncovered a beauty: Jenna Lane, Inc. – a pink sheet company trading under the symbol JLNY. This shell met specific due diligence thresholds, had been fully reporting to the SEC, was free of actual or contingent liabilities, and had no issues that could hinder the approval process.

Things Start to Happen Fast

Mark Kaley and Marc Jablon assisted in negotiating a favorable deal with Jenna Lane shareholders

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and oversaw much of the detail work performed by Ben Grocock and the owners of the shell.

The SEC watches over everything; requiring a number of forms, financials, documentations and relevant *pro formas* provided at specific junctures in the transaction. The whole process takes 2-3 months but, with filings often due at precise intervals in this stage, things moved fast.

The Big Day

Robert recounts, “Everyone involved in guiding Propalms’ transition from private to publicly traded company understood and addressed all of our concerns – financial, business, marketing, even emotional concerns.

“They gave me and Owen an agenda detailing everything we had to do. There was no guesswork. No trial and error. We were in the hands of professionals who made it easy for us.”

In preparation for its first day of active trading, Management Solutions International, another division of Big Apple, was brought to the team to help strategize, create the press release campaign and handle investor calls.

Robert and Owen presented Propalms to Big Apple’s floor of seasoned Account Reps. They gave the Reps all the information they needed to successfully promote Propalms stock in their talks with thousands of Brokers across the country and Canada.

Propalms started trading Dec. 5, 2006 under the Jenna Lane name. It’s been doing very well since then.

Recently they formally changed the company name to Propalms USA, Inc. along with their CUSIP number. A symbol change is in the works.