BOND LABORATORIES, INC.
Form 10-Q
May 15, 2009

U.S. Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-Q

(Mark One)

x Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2009

o Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act

For the transition period from N/A to N/A

Commission File No. 333-137170

Bond Laboratories, Inc.
(Name of small business issuer as specified in its charter)

Nevada	20-3464383
State of Incorporation	IRS Employer Identification No.

777 South Highway 101, Suite 215, Solana Beach, CA 92975
(Address of principal executive offices)

(858) 847-9000
(Issuer's telephone number)

Securities registered under Section 12(b) of the Exchange Act:
None

Securities registered under Section 12(g) of the Exchange Act:

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

Indicate by check mark whether the Registrant (1) has filed all reports required by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days: Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes o No o

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non–accelerated filer. See definition of “accelerated filer and large accelerated filer” in Rule 12b–2 of the Exchange Act. (Check one):

Large accelerated filer	¨	Accelerated filer	¨
Non–Accelerated filer	¨	Small Business Issuer	x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b–2 of the Exchange Act). Yes ¨ No x

Transitional Small Business Disclosure Format (check one): Yes o No x

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

Class	Outstanding at May 15, 2009
Common stock, $0.01 par value	35,992,595

BOND LABORATORIES, INC.
INDEX TO FORM 10-Q FILING
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008

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PART I – FINANCIAL INFORMATION

ITEM 1 – FINANCIAL STATEMENTS

BOND LABORATORIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS:		March 31, 2009		December 31, 2008
CURRENT ASSETS				(Audited)
Cash	$	244,196	$	263,379
Accounts receivables - net		717,379		428,790
Inventory		1,788,753		1,984,245
Notes receivables		250,137		250,137
Prepaid expenses and other current assets		173,970		30,240
Total current assets		3,174,435		2,956,791
PROPERTY AND EQUIPMENT, net		226,515		238,328
Intangibles assets, net		2,105,923		2,160,860
Deposits		9,511		5,728
TOTAL ASSETS	$	5,516,384	$	5,361,707
LIABILITIES AND STOCKHOLDERS' EQUITY:				
CURRENT LIABILITIES:				
Accounts payable	$	1,189,178	$	950,947
Accrued expenses and other liabilities		222,509		238,617
Note payable - affiliate		103,019		50,769
Note payable - current		779,603		934,861
Total current liabilities		2,294,309		2,175,194
Notes payable - long term		118,102		118,102
TOTAL LIABILITIES		2,412,411		2,293,296
CONTINGENCIES AND COMMITMENTS		-		-
STOCKHOLDERS' EQUITY:				
Preferred stock series A, $.01 par value, 10,000,000 shares authorized; 9,659,477 and 5,659,477 issued and outstanding as of March 31, 2009 and December 31, 2008, respectively		96,595		56,595
Preferred stock series B, $.01 par value, 1,000 shares authorized; 171.3 and 0 issued and outstanding, 10% Cumulative Perpetual with a Stated Value of $10,000 per share; as of March 31, 2009 and December 31, 2008, respectively		216		-
		359,925		258,399

Common stock, $.01 par value, 75,000,000 shares authorized; 35,992,595 and 25,839,928 issued and outstanding as of March 31, 2009 and December 31, 2008, respectively				
Additional paid-in capital		14,540,533		12,306,023
Common stock subscribed, 7,500,000		-		1,249,792
Preferred A stock subscribed, 4,000,000		-		600,000
Preferred B stock subscribed, 125		-		208
Cost of raising capital		(17,430)		-
Foreign translation		(164)		-
Accumulated deficit		(11,875,702)		(11,402,606)
Total stockholders' equity		3,103,973		3,068,411
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	5,516,384	$	5,361,707

The accompanying notes are an integral part of these condensed consolidated financial statements.

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BOND LABORATORIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
THREE MONTHS ENDED MARCH 31, 2009 AND 2008

	2009	2008
Revenue	$ 2,507,893	$ 226,717
Total	2,507,893	226,717
Cost of Goods Sold	1,801,034	149,836
Gross Profits	706,859	76,881
OPERATING EXPENSES:		
General and administrative	546,475	393,936
Selling and marketing	551,930	676,298
Depreciation and amortization	68,515	9,172
Research and development	-	80,774
Total operating expenses	1,166,920	1,160,180
OPERATING LOSS	(460,061)	(1,083,299)
OTHER (INCOME) AND EXPENSES		
Interest expense	9,771	-
Interest income	-	(2,022)
Loss on the sale of assets	3,264	
Rental income	-	(4,500)
Total other (income) expense	13,035	(6,522)
NET LOSS	$ (473,096)	$ (1,076,779)
NET LOSS PER SHARE:		
Basic	$ (0.01)	$ (0.05)
Diluted	$ (0.01)	$ (0.05)
Basic	34,865,795	20,199,587
Diluted	41,227,670	20,835,987

The accompanying notes are an integral part of these condensed consolidated financial statements.

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BOND LABORATORIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2009 AND 2008

	2009	2008
Net loss	$ (473,096)	$ (1,076,779)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	68,515	9,172
Common stock issued for services	-	60,750
Common stock cancelled	(2,083)	-
Foreign translation	(164)	-
Loss on sale of assets	(1,765)	-
Warrants issued	47,907	-
Changes in operating assets and liabilities:		
Accounts receivables	(288,589)	157,000
Inventory	195,492	-
Prepaid expenses	(143,730)	(119,449)
Deposits	(3,783)	-
Accounts payables	238,231	377
Accrued liabilities	(15,860)	-
Net cash used in operating activities	(378,925)	(968,929)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of intangible asset	-	(1,175)
Net cash used in investing activities	-	(1,175)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the issuances of common stock and preferred stock	463,000	388,000
Proceeds from affiliated note payable	52,000	-
Repayments of note payable	(155,258)	-
Net cash provided by financing activities	359,742	388,000
INCREASE (DECREASE) IN CASH	(19,183)	(582,103)
CASH, BEGINNING OF PERIOD	263,379	590,197
CASH, END OF PERIOD	$ 244,196	$ 8,094
Supplemental disclosure operating activities		
Interest expense	$ 9,771	$ -
Taxes paid	$ -	$ -
Supplemental disclosure for non cash investing and financing activities		
Common shares issued for cost of rasing captial	$ 17,430	$ -

The accompanying notes are an integral part of these condensed consolidated financial statements.

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BOND LABORATORIES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008

NOTE 1 - DESCRIPTION OF BUSINESS

Bond Laboratories, Inc. (“The Company”) was incorporated in the state of Nevada on July 26, 2005. The Company develops and distributes healthy-living and nutritional products designed to enhance energy, wellness and physical endurance. The Company currently markets two separate branded product families – Fusion Premium Energy, Inc. (“Fusion”) and NDS Nutritional Products (“NDS”) through all five of the major distribution channels.

Fusion offers a comprehensive line of energy products showcased by a 2-ounce shot and complemented by a unique set of alternative delivery forms including energy gums, capsules, powders and cookies. The Company currently distributes Fusion products through a network of convenience stores, drug and grocery stores, and sporting goods stores.

On October 1, 2008 Bond purchased all of the assets of NDS Nutritional Products, Inc. (“NDS” or “NDS Nutritional Products, Inc”). Established in 1998, NDS focuses its dynamic capabilities on providing cutting-edge quality products in the weight loss, sports nutrition and general health categories. Its emphasis is placed on the education of the consumer in regards to the unique attributes of its diverse product line. NDS wholesales nutritional supplements exclusively to GNC franchisees under multiple brand names including “Release Weight Loss”, “Professional Muscular Development” and “Dr. Health.” NDS also boasts a high-end line of sports nutrition products, “Infinite Labs”, targeted at athletes, bodybuilders and fitness experts, and distributed through specialty vitamin shops, health stores and fitness clubs.

NOTE 2 - BASIS OF PRESENTATION

Interim Financial Statements

The accompanying interim unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In our opinion, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months period ended March 31, 2009 and 2008 are not necessarily indicative of the results that may be expected for the year ending December 31, 2009. For further information, refer to the financial statements and footnotes thereto included in our Form 10-K Report for the fiscal year ended December 31, 2008.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. Significant accounting policies are as follows:

Principle of Consolidation

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Our management periodically evaluates the estimates and judgments made. Management bases its estimates and judgments on historical experience and on various factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates as a result of different assumptions or conditions.

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Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. These estimates and assumptions also affect the reported amounts of revenues, costs and expenses during the reporting period. Management evaluates these estimates and assumptions on a regular basis. Actual results could differ from those estimates.

These estimates and assumptions also affect the reported amounts of revenues, costs and expenses during the reporting period. Management evaluates these estimates and assumptions on a regular basis. Actual results could differ from those estimates.

Revenue Recognition

Revenue includes product sales. The Company recognizes revenue from product sales in accordance with Staff Accounting Bulletin (SAB) No. 104, "Revenue Recognition in Financial Statement" which is at the time customers are invoiced at shipping point, provided title and risk of loss has passed to the customer, evidence of an arrangement exists, fees are contractually fixed or determinable, collection is reasonably assured through historical collection results and regular credit evaluations, and there are no uncertainties regarding customer acceptance.

Accounts Receivable

Substantially all of the Company's accounts receivable balance is relate to trade receivables. Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in its existing accounts receivable. The Company will maintain allowances for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments for products. Accounts with known financial issues are first reviewed and specific estimates are recorded. The remaining accounts receivable balances are then grouped in categories by the amount of days the balance is past due, and the estimated loss is calculated as a percentage of the total category based upon past history. Account balances are charged off against the allowance when it is probable the receivable will not be recovered. No allowance for doubtful accounts and bad debts were written off in March 31, 2009 and 2008 as the Company was a development stage company.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. At March 31, 2009, cash and cash equivalents include cash on hand and cash in the bank.

Inventory

The Company inventory is carried at the lower of cost or net realizable value using the first-in, first-out ("FIFO") method. The Company evaluates the need to record adjustments for inventory on a regular basis. Our policy is to evaluate all inventories including raw material (component), and finished goods. These inventories consisted of energy drinks, pain relief, and weight loss products. At March 31, 209, the value of the Company's inventory was $ 1,788,753 and $1,984,245 at December 31, 2008, respectively.

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Property and Equipment

Property and equipment is recorded at cost and depreciated over the estimated useful lives of the assets using principally the straight-line method. When items are retired or otherwise disposed of, income is charged or credited for the difference between net book value and proceeds realized. Ordinary maintenance and repairs are charged to expense as incurred, and replacements and betterments are capitalized.

The range of estimated useful lives used to calculated depreciation for principal items of property and equipment are as follow:

Asset Category	Depreciation/ Amortization Period
Furniture and Fixture	3 Years
Office equipment	3 Years
Leasehold improvements	5 Years

Goodwill and Other Intangible Assets

The Company adopted Statement of Financial Accounting Standard (“SFAS No.”) No. 142, Goodwill and Other Intangible Assets, effective July 1, 2002. In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets," goodwill, represents the excess of the purchase price and related costs over the value assigned to net tangible and identifiable intangible assets of businesses acquired and accounted for under the purchase method, acquired in business combinations is assigned to reporting units that are expected to benefit from the synergies of the combination as of the acquisition date. Under this standard, goodwill and intangibles with indefinite useful lives are no longer amortized. The Company assesses goodwill and indefinite-lived intangible assets for impairment annually during the fourth quarter, or more frequently if events and circumstances indicate impairment may have occurred in accordance with SFAS No. 142. If the carrying value of a reporting unit's goodwill exceeds its implied fair value, the Company records an impairment loss equal to the difference. SFAS No. 142 also requires that the fair value of indefinite-lived purchased intangible assets be estimated and compared to the carrying value. The Company recognizes an impairment loss when the estimated fair value of the indefinite-lived purchased intangible assets is less than the carrying value. The Company has recorded goodwill associated with the acquisition of NDS Nutritional Products, Inc. in the amount of $2,190,000 and has recognized no impairment loss as of March 31, 2009.

Impairment of Long-Lived Assets

In accordance with SFAS No. 144, long-lived assets, such as property, plant, and equipment, and purchased intangibles, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Goodwill and other intangible assets are tested for impairment. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. There were no events or changes in circumstances that necessitated an impairment of long lived assets.

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Income Taxes

Deferred income taxes are provided based on the provisions of SFAS No. 109, "Accounting for Income Taxes" ("SFAS No. 109"), to reflect the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Concentration of Credit Risk

The Company maintains its operating cash balances in banks in Solana Beach, California and Omaha Nebraska. The Federal Depository Insurance Corporation (FDIC) insures accounts at each institution up to $250,000.

Earnings Per Share

Basic earnings per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share reflects the potential dilution that could occur if stock options, warrants, and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share in the earnings of the Company.

Fair Value of Financial Instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced sale or liquidation.

The carrying amounts of the Company's financial instruments, including cash, accounts payable and accrued liabilities, income tax payable and related party payable approximate fair value due to their most maturities.

Reclassification

Certain prior period amounts have been reclassified to conform to current year presentations.

Recent Accounting Pronouncements

Recent accounting pronouncements that the Company has adopted or that will be required to adopt in the future are summarized below.

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Disclosures by Public Entities (Enterprises) about Transfers of Financial Assets and Interests in Variable Interest Entities

In December 2008, the FASB issued FSP FAS No. 140-4 and FIN No. 46(R) -8, “Disclosures by Public Entities (Enterprises) about Transfers of Financial Assets and Interests in Variable Interest Entities.” This FSP amends SFAS No. 140, “Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities,” to require public entities to provide additional disclosures about transfers of financials assets. FSP FAS No. 140-4 also amends FIN No. 46(R)-8, “Consolidation of Variable Interest Entities,” to require public enterprises, including sponsors that have a variable interest entity, to provide additional disclosures about their involvement with a variable interest entity. FSP FAS No. 140-4 also requires certain additional disclosures, in regards to variable interest entities, to provide greater transparency to financial statement users. FSP FAS No. 140-4 is effective for the first reporting period (interim or annual) ending after December 15, 2008, with early application encouraged. The Company is currently assessing the impact of FSP FAS No. 140-4 on its consolidated financial position and results of operations.

Accounting for an Instrument (or an Embedded Feature) with a Settlement Amount That is Based on the Stock of an Entity’s Consolidated Subsidiary

In November 2008, the FASB issued FSP Emerging Issues Task Force (“EITF”) Issue No. 08-8, “Accounting for an Instrument (or an Embedded Feature) with a Settlement Amount that is based on the Stock of an Entity’s Consolidated Subsidiary.” EITF No. 08-8 clarifies whether a financial instrument for which the payoff to the counterparty is based, in whole or in part, on the stock of an entity’s consolidated subsidiary is indexed to the reporting entity’s own stock. EITF No. 08-8 also clarifies whether or not stock should be precluded from qualifying for the scope exception of SFAS No. 133, “Accounting for Derivative Instruments and Hedging Activities,” or from being within the scope of EITF No. 00-19, “Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company’s Own Stock.” EITF No. 08-8 is effective for fiscal years beginning on or after December 15, 2008, and interim periods within those fiscal years. The Company is currently assessing the impact of EITF No. 08-8 on its consolidated financial position and results of operations.

Accounting for Defensive Intangible Assets

In November 2008, the FASB issued EITF Issue No. 08-7, “Accounting for Defensive Intangible Assets.” EITF No. 08-7 clarifies how to account for defensive intangible assets subsequent to initial measurement. EITF No. 08-7 applies to all defensive intangible assets except for intangible assets that are used in research and development activities. EITF No. 08-7 is effective for intangible assets acquired on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. The Company is currently assessing the impact of EITF No. 08-7 on its consolidated financial position and results of operations.

Equity Method Investment Accounting Considerations

In November 2008, the FASB issued EITF Issue No. 08-6 (“EITF No. 08-6”), “Equity Method Investment Accounting Considerations.” EITF No. 08-6 clarifies accounting for certain transactions and impairment considerations involving the equity method. Transactions and impairment dealt with are initial measurement, decrease in investment value, and change in level of ownership or degree of influence. EITF No. 08-6 is effective on a prospective basis for fiscal years beginning on or after December 15, 2008. The Company is currently assessing the impact of EITF No. 08-6 on its consolidated financial position and results of operations.

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Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active

In October 2008, the FASB issued FSP FAS No. 157-3, "Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active." This FSP clarifies the application of SFAS No. 157, "Fair Value Measurements," in a market that is not active. The FSP also provides examples for determining the fair value of a financial asset when the market for that financial asset is not active. FSP FAS No. 157-3 was effective upon issuance, including prior periods for which financial statements have not been issued. The impact of adoption was not material to the Company's consolidated financial condition or results of operations.

Issuer's Accounting for Liabilities Measured at Fair Value with a Third-Party Credit Enhancement

In September 2008, the FASB issued EITF Issue No. 08-5 ("EITF No. 08-5"), "Issuer's Accounting for Liabilities Measured at Fair Value with a Third-Party Credit Enhancement." This FSP determines an issuer's unit of accounting for a liability issued with an inseparable third-party credit enhancement when it is measured or disclosed at fair value on a recurring basis. FSP EITF No. 08-5 is effective on a prospective basis in the first reporting period beginning on or after December 15, 2008. The Company is currently assessing the impact of FSP EITF No. 08-5 on its consolidated financial position and results of operations.

Disclosures about Credit Derivatives and Certain Guarantees: An Amendment of FASB Statement No. 133 and FASB Interpretation No. 45; and Clarification of the Effective Date of FASB Statement No. 161

In September 2008, the FASB issued FSP FAS No. 133-1, "Disclosures about Credit Derivatives and Certain Guarantees: An Amendment of FASB Statement No. 133 and FASB Interpretation No. 45; and Clarification of the Effective Date of FASB Statement No. 161." This FSP amends FASB Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities," to require disclosures by sellers of credit derivatives, including credit derivatives embedded in a hybrid instrument. The FSP also amends FASB Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," to require and additional disclosure about the current status of the payment/performance risk of a guarantee. Finally, this FSP clarifies the Board's intent about the effective date of FASB Statement No. 161, "Disclosures about Derivative Instruments and Hedging Activities." FSP FAS No. 133-1 is effective for fiscal years ending after November 15, 2008. The Company is currently assessing the impact of FSP FAS No. 133-1 on its consolidated financial position and results of operations.

Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities

In June 2008, the FASB issued EITF Issue No. 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities." EITF No. 03-6-1 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and, therefore, need to be included in the earnings allocation in computing earnings per share under the two-class method. The EITF 03-6-1 affects entities that accrue dividends on share-based payment awards during the awards' service period when the dividends do not need to be returned if the employees forfeit the award. EITF 03-6-1 is effective for fiscal years beginning after December 15, 2008. The Company is currently assessing the impact of EITF 03-6-1 on its consolidated financial position and results of operations.

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Determining Whether an Instrument (or an Embedded Feature) Is Indexed to an entity's Own Stock

In June 2008, the FASB ratified EITF Issue No. 07-5, "Determining Whether an Instrument (or an Embedded Feature) Is Indexed to an Entity's Own Stock." EITF 07-5 provides that an entity should use a two step approach to evaluate whether an equity-linked financial instrument (or embedded feature) is indexed to its own stock, including evaluating the instrument's contingent exercise and settlement provisions. It also clarifies on the impact of foreign currency denominated strike prices and market-based employee stock option valuation instruments on the evaluation. EITF 07-5 is effective for fiscal years beginning after December 15, 2008. The Company is currently assessing the impact of EITF 07-5 on its consolidated financial position and results of operations.

Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)

In May 2008, the FASB issued FSP Accounting Principles Board ("APB") Opinion No. 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)." The FSP clarifies the accounting for convertible debt instruments that may be settled in cash (including partial cash settlement) upon conversion. The FSP requires issuers to account separately for the liability and equity components of certain convertible debt instruments in a manner that reflects the issuer's nonconvertible debt (unsecured debt) borrowing rate when interest cost is recognized. The FSP requires bifurcation of a component of the debt, classification of that component in equity and the accretion of the resulting discount on the debt to be recognized as part of interest expense in our consolidated statement of operations. The FSP requires retrospective application to the terms of instruments as they existed for all periods presented. The FSP is effective for fiscal years beginning after December 15, 2008 and early adoption is not permitted. The Company is currently evaluating the potential impact of FSP APB 14-1 upon its consolidated financial statements.

The Hierarchy of Generally Accepted Accounting Principles

In May 2008, the FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles." SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements. SFAS No. 162 is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles". The implementation of this standard will not have a material impact on the Company's consolidated financial position and results of operations.

Determination of the Useful Life of Intangible Assets

In April 2008, the FASB issued FSP FAS No. 142-3, "Determination of the Useful Life of Intangible Assets", which amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of intangible assets under SFAS No. 142 "Goodwill and Other Intangible Assets". The intent of this FSP is to improve the consistency between the useful life of a recognized intangible asset under SFAS No. 142 and the period of the expected cash flows used to measure the fair value of the asset under SFAS No. 141 (revised 2007) "Business Combinations" and other U.S. generally accepted accounting principles. The Company is currently evaluating the potential impact of FSP FAS No. 142-3 on its consolidated financial statements.

Disclosure about Derivative Instruments and Hedging Activities

In March 2008, the FASB issued SFAS No. 161, “Disclosure about Derivative Instruments and Hedging Activities, an amendment of SFAS No. 133.” This statement requires that objectives for using derivative instruments be disclosed in terms of underlying risk and accounting designation. The Company is required to adopt SFAS No. 161 on January 1, 2009. The Company is currently evaluating the potential impact of SFAS No. 161 on the Company’s consolidated financial statements.

Delay in Effective Date

In February 2008, the FASB issued FSP FAS No. 157-2, “Effective Date of FASB Statement No. 157”. This FSP delays the effective date of SFAS No. 157 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value on a recurring basis (at least annually) to fiscal years beginning after November 15, 2008, and interim periods within those fiscal years. The impact of adoption was not material to the Company’s consolidated financial condition or results of operations.

Business Combinations

In December 2007, the FASB issued SFAS No. 141(R) “Business Combinations.” This Statement replaces the original SFAS No. 141. This Statement retains the fundamental requirements in SFAS No. 141 that the acquisition method of accounting (which SFAS No. 141 called the purchase method) be used for all business combinations and for an acquirer to be identified for each business combination. The objective of SFAS No. 141(R) is to improve the relevance, and comparability of the information that a reporting entity provides in its financial reports about a business combination and its effects. To accomplish that, SFAS No. 141(R) establishes principles and requirements for how the acquirer:

a. Recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree.

b. Recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase.

c. Determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination.

This Statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008 and may not be applied before that date. The Company is unable at this time to determine the effect that its adoption of SFAS No. 141(R) will have on its consolidated results of operations and financial condition.

Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51

In December 2007, the FASB issued SFAS No. 160 “Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51.” This Statement amends the original Accounting Review Board (ARB) No. 51 “Consolidated Financial Statements” to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. This Statement is effective for fiscal years and interim periods within those fiscal years, beginning on or after December 15, 2008 and may not be applied before that date. The Company is unable at this time to determine the effect that its adoption of SFAS No. 160 will have on its consolidated results of operations and financial condition.

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Fair Value Option for Financial Assets and Financial Liabilities

In February 2007, the FASB issued SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities – Including an amendment of SFAS No. 115,” which becomes effective for the Company on February 1, 2008, permits companies to choose to measure many financial instruments and certain other items at fair value and report unrealized gains and losses in earnings. Such accounting is optional and is generally to be applied instrument by instrument. The election of this fair-value option did not have a material effect on its consolidated financial condition, results of operations, cash flows or disclosures.

Fair Value Measurements

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements.” SFAS No. 157 provides guidance for using fair value to measure assets and liabilities. SFAS No. 157 addresses the requests from investors for expanded disclosure about the extent to which companies’ measure assets and liabilities at fair value, the information used to measure fair value and the effect of fair value measurements on earnings. SFAS No. 157 applies whenever other standards require (or permit) assets or liabilities to be measured at fair value, and does not expand the use of fair value in any new circumstances. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007 and was adopted by the Company in the first quarter of fiscal year 2008. There was no material impact on the Company’s consolidated results of operations and financial condition due to the adoption of SFAS No. 157.

Accounting Changes and Error Corrections

In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections,” which replaces APB Opinion No. 20, "Accounting Changes," and SFAS No. 3, "Reporting Accounting Changes in Interim Financial Statements - An Amendment of APB Opinion No. 28”. SFAS No. 154 provides guidance on the accounting for and reporting of accounting changes and error corrections, and it establishes retrospective application, or the latest practicable date, as the required method for reporting a change in accounting principle and the reporting of a correction of an error. SFAS No. 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. The Company adopted SFAS No. 154 in the first quarter of fiscal year 2007 and did not have a material impact on its consolidated results of operations and financial condition.

NOTE 4 - COMMITMENTS AND CONTINGENCIES

The Company has entered into various consulting agreements with outside consultants. However, certain of these agreements included additional compensation on the basis of performance. The consulting agreements are with key shareholders that are instrumental to the success of the Company and its development of it product.

NOTE 5 - RELATED PARTY TRANSACTIONS

The Company is managed by its key shareholder an officer and director, Scott Landow. This shareholder is the sole shareholder of Small World Traders and is the managing member of WWFD, LLC, both entities owning over 5% of the Company’s issued and outstanding shares of common stock respectively. The Company entered into Demand Note Payable with Bershert LLC an affiliate for $50,000 bearing an interest rate of 8%. This note matured on March 22, 2009 and now is a demand note and due and payable upon demand. The Company entered into an additional Demand Note Payable with Bershert LLC and affiliate for $52,000 in March of 2009 bearing an interest rate of 8%. This note is due and payable upon demand. The Company's officer is the managing member of Bershert LLC.

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NOTE 6 - NET LOSS PER SHARE

Restricted shares and warrants are included in the computation of the weighted average number of shares outstanding during the periods. The net loss per common share is calculated by dividing the consolidated loss by the weighted average number of shares outstanding during the periods.

NOTE 7 - EQUITY

On July 26, 2005, the Company authorized 75,000,000 shares of common stock, at $.01 par value and as of March 31, 2009 35,992,595 common shares were issued and outstanding. In August 2006, the Company authorized 10,000,000 of preferred series A shares at a par value of .01 and 9,659,477 shares were issued and outstanding as of March 31, 2009. In June 2008, the Company authorized 1000 of preferred series B shares that are 10% Cumulative Perpetual with a State Value of $10,000 per share there is 171.3 issued and outstanding as of March 31, 2009.

The fair value of each warrant grant was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions for March 31, 2009 and 2008:

	Issued	Price	Expired
January 31, 2008	1,875,000	1.50	January 31, 2013
June 30, 2008	1,952,359	1.25	June 30, 2013
June 30, 2008	634,516	1.10	June 30, 2013
December 31, 2008	1,900,000	0.375	December 31, 2013
December 31, 2008	109,375	Cashless	December 31, 2013
March 1, 2009	31,250	Cashless	March 1, 2013
March 31, 2009	87,500.00	0.375	March 31, 2013
Total Warrants Issued	6,590,000		

Dividend yield	None
Volatility	0.491
Risk free interest rate	4.18
Expected asset life	5 years

The Company valued the warrants using Black-Scholes option-pricing model. The assumptions under Black Scholes are based on the market value of the stock price at the time of issuance, the exercise price of the warrants, life, volatility, risk free interest rate of the warrants. The Black Scholes option-price model was the best determinable value of the warrants that the Company “knew up front” when issuing the warrants in accordance with EITF 96-18. The warrants had no vesting schedule and could be exercised at the option of the parties receiving the warrants until either terminated by contract or expiration. No discounts were applied to the calculation through the Black Scholes option-price model.”

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During three months ended March 31, 2009 and 2008:

Quarter Ended	Stock issued for Cash	Cash Received		Stock issued and cancelled for services
March 31, 2008	388,000	$	388,000	(439,500)
Total Issued	388,000	$	388,000	(439,500)
March 31, 2009	2,778,000	$	462,992	(125,333)
Total Issued	2,778,000	$	462,992	(125,333)

During the period ended March 31, 2008, the Company issued 388,000 shares of its common stock for $388,000. During the period ended March 31, 2008, the Company cancelled 439,500 shares of common stock valued at par value. The value of these shares issued were expensed in the period incurred.

During the period ended March 31, 2009, the Company issued 2,778,000 shares of its common stock for $462,992. The Company issued 46.3 Preferred B shares for $7.72 with total cash received in this transaction of 463,000. The Company cancelled 208,333 common share valued at par value which was the value of the stock issued.

There were no options granted in the three months ended March 31, 2009 and 2008. The Company had a total of 6,590,000 warrants outstanding as of March 31, 2009 having a strike price of between $.375 and $1.50 and some that are cashless. These warrants have a four and five year life which expires 2012 and 2013 respectively.

NOTE 8 – NOTE PAYABLES

Notes payable consist of the following as of March 31:

		2009		2008
Secured promissory note (Fixed Assets) dated October 1, 2008 at an interest rate of 6.00% per annum until April 1, 2010. Principal and interest are due in monthly payments of $9,514.27.	$	119,463	$	-
Secured promissory note (Component Inventory) dated October 1, 2008 at an interest rate of 6.00% per annum until October 1, 2009. Principal and interest are due in monthly payments of $25,114.01.		172,334		-
Secured promissory note (Installment) dated October 1, 2008 at an interest rate of 6.00% per annum until October 1, 2010. Principal and interest are due in quarterly payments of $20,381.11.		255,908		-
Other notes payable		350,000		-
Bershert LLC is affiliate and has advanced the Company $102,000 accrued 8% interest per annum until maturity at March 22, 2010.		103,019		
Total of Notes Payable		1,000,724		-
Less Current Portion		(882,622)		-
Long-Term Portion	$	118,102	$	-

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NOTE 9 – SUBSEQUENT EVENTS

On April 20, 2009, under the terms and conditions of the Preferred Purchase Agreement, we issued 78.3 Series B Shares to approximately 10 investors, resulting in gross proceeds of $783,000.

On April 15, 2009, the Company entered into a twelve month Line of Credit Agreement with U.S. Bancorp. Pursuant to this Line of Credit, the Company may draw down up Two Hundred and Fifty-Thousand Dollars ($250,000) secured by the Company's inventory. Under the terms of the line of credit the Company will pay an annual rate equal to 3.5% plus the one month Libor rate not to be less than 4.5%.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis contains various "forward looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, regarding future events or the future financial performance of the Company that involve risks and uncertainties. Certain statements included in this Form 10-Q, including, without limitation, statements related to anticipated cash flow sources and uses, and words including but not limited to "anticipates", "believes", "plans", "expects", "future" and similar statements or expressions, identify forward looking statemen Any forward-looking statements herein are subject to certain risks and uncertainties in the Company's business, including but not limited to, reliance on key customers and competition in its markets, market demand, product performance, technological developments, maintenance of relationships with key suppliers, difficulties of hiring or retaining key personnel and any changes in current accounting rules, all of which may be beyond the control of the Company. The Company adopted at management's discretion, the most conservative recognition of revenue based on the most astringent guidelines of the SEC in terms of recognition of software licenses and recurring revenue. Management will elect additional changes to revenue recognition to comply with the most conservative SEC recognition on a forward going accrual basis as the model is replicated with other similar markets (i.e. SBDC). The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth therein.

Forward-looking statements involve risks, uncertainties and other factors, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Factors and risks that could affect our results and achievements and cause them to materially differ from those contained in the forward-looking statements include those identified in the section titled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2008, as well as other factors that we are currently unable to identify or quantify, but that may exist in the future.

In addition, the foregoing factors may affect generally our business, results of operations and financial position. Forward-looking statements speak only as of the date the statement was made. We do not undertake and specifically decline any obligation to update any forward-looking statements.

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Overview

Bond Laboratories brought together a veteran team of seasoned individuals with a solid track record of converting ideas into highly profitable, consumption-driven products. Bond's goal is to be on the leading edge of innovation. Bond is now pursuing its unique vision for the next generation of preventative health products; Healthy Beverages and Foods.
Bond Laboratories is set up to cater to all five of the major distribution channels; focusing on the three most profitable categories of the industry- Energy, Pain Relief and Sports Nutrition/Weight loss. Based upon our extensive research, we strongly believe that our liquid energy product would make for an extremely successful initial product offering to the public markets.

Fusion Premium Energy, Inc.

Fusion Premium Energy, Inc., "FPE", (previously known as Got Fusion Inc.) was incorporated in August of 2007. FPE is a wholly owned subsidiary of the Company and sells various "fusion" products.

John S. Wilson is the President of the Fusion Premium Energy, Inc. and Scott Slocum is the Executive Vice President of Fusion Premium Energy, Inc. John Wilson joins Fusion Premium Energy, Inc. with over seventeen years of experience at both Coca-Cola and Coca-Cola Enterprises. Most recently, Mr. Wilson was responsible for negotiating exclusive bottling agreements with national customers on behalf of all seventy-three of the Coca-Cola Bottlers in the United States. Scott Slocum joins Fusion with over 24 years experience in the beverage industry including numerous leadership roles within Coca-Cola Enterprises. Mr. Slocum's strength is his vast experience in the areas of channel distribution, customer management, as well as operations logistics.

Initial Target Market: Energy
Product: Fusion 6+ Hour Energy Boost

According to the Beverage Marketing Corporation (2007), the market for energy drinks in 2006 exceeded $2.5 billion, which represented a 516% gain from 2000. (The category grew an additional 9% in 2008.) New product introductions have numbered in the hundreds, accounted for a significant percentage of the sales growth. The principal marketing channels in 2006 were convenience/gasoline stores (35.7%), mass merchandisers (16.5%), and supermarkets (11.3%), with most of the growth occurring in mass merchandiser and supermarket channels.

Energy "Shots" have been particularly successful since their launch in 2004, rapidly growing to 11.7% of total energy drink spending. Benefits include convenient portability (small size), less carbohydrates and sugar than full-sized drinks, added vitamins and minerals, easy consumption of the small volume of liquid (two ounces), and no need for refrigeration. Retailers enjoy the small footprint of the marketing cubes, high margins, and rapid inventory turns. The small footprint allows retailers to merchandise the shots in high-impulse locations.

The significance of being one of the first brands to market cannot be overlooked. Energy Drinks began their popularity with products like Red Bull in the late 1980's. Although there are over 600 energy drinks on the market today, it is estimated that Red Bull sold over 5 Billion units in 2007. The concentrated 2 ounce energy shot drink began approximately 3 years ago with about 60 brands in the category today; the first, '5 Hour Energy' is expected to have had sales of well in excess of $100 million for 2007. Bond launched its Fusion 6+ Hour Energy Boost at the National Association of Convenience Stores in November of 2007 where it was voted Best Taste.

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Fusion 6+ Hour Energy Boost Product Features:

- 3X the kick of the typical canned energy drink in a small 2oz. bottle!
- Metabolizes faster than canned energy drink
- Zero carbs, Zero grams of sugar, only 8 calories per serving
- No crash- as associated with all sugar based energy drinks
- The strongest / longest lasting energy shot available on the market
- Voted the #1 tasting energy shot in the category at the 2007 NACS Show!

Available in Berry and Limon

Retailers have found that the energy shot product category is #1 in both dollar sales at the front-end checkout and in dollar sales per square inch of display space. The Fusion 6+Hour Energy Boost was first shipped to customers in January of 2008 and was No.7 in the category by the end of its first year on the market. (Source: A.C. Nielsen, Nov 2008). A 6-piece counter display for Fusion® is 12.75 square inches, and a 12-piece counter display is 25.9 square inches). Fusion® also has an attractive gross profit for the retailer. With a regular wholesale price of $1.40 per unit and a suggested retail price of $2.99, the retailer's gross profit is 49.8%.

NDS Nutritional Products, Inc.

In October 1, 2008 we purchased the entire interest of NDS Nutritional Products, Inc. (“NDS” or “NDS Nutritional Products, Inc”) NDS Nutritional Products, Inc. was formed in 2001. NDS Nutritional Products, Inc is a wholesaler and distributor of nutritional products focusing on Weight Loss, Sports Nutrition and General Health. Falling under NDS Nutritional Products, Inc are the Release Weight Loss line sold exclusively to GNC, the Professional Muscular Development line sold exclusively to GNC, the Dr. Health line sold exclusively to GNC, and the Infinite Labs product line sold through Distributors and large retailers in the United States, Canada, and Europe.

NDS Nutritional Products has a strong history and brings tremendous resources to our organization. Established in 1998, NDS focuses its dynamic capabilities on providing cutting-edge quality products in the weight loss, sports nutrition and general health categories. Its emphasis is placed on the education of the consumer in regards to the unique attributes of its diverse product line. Its strength is in the health and nutrition channel, which will nicely complement our current, rapidly growing retail distribution network in convenience stores and mass. We have built this growing network through the introduction of our first offering, the Fusion 6+ Hour 2 oz. Energy Shot.

NDS Nutritional Products, Inc. is the first of what management believes will be numerous acquisitions that will help us accomplish that goal. NDS is strategically involved with the development of the next generation of preventative health products, Fortified Foods and Beverages. Management believes NDS is an appropriate fit for our company as we .anticipate, but cannot guarantee, will immediately add significant revenue to our top line and be accretive to our earnings next year. We have already begun to integrate NDS distribution in the health and the nutrition channel alongside our rapidly growing retail distribution network in convenience stores (C-stores). Not only will the NDS acquisition allow us to add 40 additional SKUs in the fast growing sports nutrition market for our International broker network, we have gained a centralized infrastructure in Omaha, NE.

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Competition

Management anticipates that we will encounter competition in each market that we enter. Patent and Trademark applications that cover new embodiments of technology will be pursued wherever possible. While we cannot assure that the patents and applications will block competitive products, they should help us become a significant participant in the marketplace.

The industry leader is Red Bull with annual sales of approximately $5 billion. The other leaders in the category include Monster, (manufactured and distributed by Hanson Beverages), Rock Star, (now distributed by Coca Cola along with its own brand 'Full Throttle'), Amp, (manufactured and distributed by Pepsi) and SoBe, (also manufactured and distributed by Pepsi).   To managements' knowledge and observation, almost all energy products are sold in 8 – 24 ounce cans. As of the end of 2007, there were more than 600 brands in the energy can drink business, with close to 200 going out of business that year and 200 new entries to take their place. Fusion is sold in a 2 ounce shot with the same 'kick' as a 24 ounce energy drink. This gives 'Fusion' a major advantage that is stressed to the consumers in all marketing materials. Not only is it easier to carry around a small bottle, vs. several cans, (which must stay cold), but cans use science and technology from over ten years ago. Where the energy can market is dominated by major brands with sales exceeding $500 mm - $5 billion, the shot market only has approximately 30 brands, of which only one, 5 Hour Energy, has sales exceeding $100 mm. Since 1995, there have been great discoveries in energy producing nutrients. More important, studies have clearly demonstrated that most ingredients are not stable in normal carbonated beverage products and that the longer they stay in contact with liquid, the less potent they become.

Marketing Program

The Company has worked hard to establish a 'Premium' Brand image. Consistent with this has been the sponsorship of elite athletes who have achieved champion status in their individual specialties.

2008 - L&M Racing: Competing in Supercross Motorcycle racing, L&M has two racers, Chad Reed and Nathan Ramsey. For the 2008 season, Chad Reed was the world champion winning 11 of 18 races. Nathan Ramsey placed 6th place overall. The Fusion logo was prominently displayed on jerseys, motorcycles, the team rig and hats as well as the water bottle held on the podium. Races were broadcast on Speed TV and CBS.

2008- – Tara Dakides: Tara is recognized as the most accomplished female snowboarder ever. She competes in numerous events every year including the Winter X games which is broadcast on national television. In addition, during the warmer months, Tara competes on the only all women Baja 1000 team and CORR, (Champion Off Road Racing), seen on Speed TV and NBC. The Fusion logo was prominently displayed on jerseys, her snowboard, the team rig, hats and cars as well as the water bottle held on the podium.

2008 – Steve McCann: Steve is a worldwide recognized BMX rider who competes in the Dew Tour, the X Games, the US Open and several other events that are picked up by national broadcasters. He is the 1st athlete in history to make the finals in every BMX specialty on the Dew Tour, ever. The Fusion logo was prominently displayed on the helmet as well as the water bottle held on the podium.

2008 - Darrell Lanigan: Amazing Consistency Propelled Darrell Lanigan To First Career World of Outlaws Late Model Series Championship In 2008. Lanigan's sparkling '08 stats show two wins, 25 top-five and 36 top-10 finishes in 43 A-Mains, plus one fast time honor and 17 heat-race wins. He led 168 laps and completed 2,254 of a possible 2,285 laps, with only three of the 31 laps he missed coming in full-points races.

2008-2009 – Jason Ellis: Skate, MMA, Drift car and Radio personality. Jason competes at several events throughout the year in his various disciplines, but his greatest value to the Company comes as a radio personality on Sirius

Satellite radio where he can be heard Monday-Friday for 3 hours per day focusing on Action Sports and the athletes who compete in them. His estimate audience is 500K – 1 million listeners per day.

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2008 – “Ruthless” Robbie Lawler: Mixed Martial Arts, (MMA). Robbie is the Elite XC Middleweight Champion having won his most recent match against Scott Smith on CBS Saturday night fights, broadcast on July 26th nationwide. The Fusion logo was prominently displayed on the middle of his shorts where it could be seen for a good portion of the fight.

Revenues

Revenue from product sales is recognized upon shipment to customers at which time such customers are invoiced. Units are shipped under the terms of FOB shipping point when determination is made that collectibility is probable. Revenues for services are recognized upon completion of the services. For consulting services and other fee-for-service arrangements, revenue is recognized upon completion of the services. Our company has adopted the Securities and Exchange Commission’s Staff Accounting Bulletin (SAB) No. 104, which provides guidance on the recognition, presentation and disclosure of revenue in financial statements.

Results of Operations

This increase in revenue was a direct result in the growth in sales and marketing of the Company’s products. The Company continued its focus on the integration of the NDS/Infinite Labs Fusion sales teams. Fusion Premium Energy built its distribution primarily through the convenience store channel and FD&M, (Food, Drug and Mass). NDS/Infinite Labs has strong ties to the specialty retail channels with its exclusive line of sports nutrition products sold through GNC stores The Company began to see synergies in our Military and sporting goods distribution.

Revenues for the three months ended March 31, 2009 increased to $2,507,893 from $226,717 for the three months ended March 31, 2008. A ten-fold increase, future revenue plans rely upon our ability to effectively introduce our products to our target consumers, generate sales, and obtain contract manufacturing opportunities.

Cost of goods sold for the three months ended March 31, 2009 increased to $1,801,034 as compared to three months ended March 31, 2008 of $149,836. Our cost of goods sold is directly related to the increase in our sales. Management believes, but can provide no assurances the current difficult economic climate will enable the Company to negotiate superior supplier prices and terms throughout 2009.

General and administrative expenses for the three months ended March 31, 2009 increased to $546,475 from $393,936 for three months ended March 31, 2008. The increase in general and administrative expenses relates to employing full time employees and officers during 2008 rather than consultants, along with a reduction in costs associated with the our status as a reporting company, including costs associated with our filings with the U.S. Securities and Exchange Commission which matches with our overall business plan. With the acquisition of NDS, we inherited a seasoned back office with excellent administration skills. In January, we completed the consolidation of all of our corporate operations to Omaha, NE and expect this to further decrease the administrative expenses as a percentage of revenues.

Selling and marketing expenses for the three months ended March 31, 2009 decreased to $551,929 from $676,298 for three months ended March, 31, 2008. In 2008 we incurred heavy marketing expenses during the initial launch of our Fusion products like athlete endorsements and multiples of trade shows that were not part of our ongoing 2009 marketing program.

Depreciation and amortization for the three months ended March 31, 2009 increased to $68,515 from $9,172 for three months ended March 31, 2008. The increase in depreciation and amortization relates to the acquisition of new assets from Nutrition Products, Inc. in the fourth quarter of the year.

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We incurred losses of approximately $460,061, and $1,076,779 for three months ended March 31, 2009 and March 31, 2008, respectively. During 2008 we made major investments in building our products, brands and distribution, which will not be recurring expenses going forward, but the results of which are reflected in our increased revenues from quarter to quarter.

Liquidity and Capital Resources

We have maintained a minimum of three months of working capital since September of 2005. This reserve was intended to allow for an adequate amount of time to secure additional funds from investors as needed. To date, management has succeeded in securing capital as needed. Our monthly cash requirement amount is approximately $125,000. During the three months ended March 31, 2009, we sold 3,861,000 common shares for $463,000.

Our cash used in operating activities is $378,925 and $968,929 three months ended March 31, 2009 and 2008 respectively. The decrease is mainly attributable to the decrease in operating expenses including inventory buildup during the prior year.

Cash used by investing activities was $0 and $1,175 three months ended March 31, 2009 and 2008, respectively. The decrease in asset was the decrease in the purchase of assets for the Company.

Cash provided by financing activities was $359,742 and $388,000 for the three months ended March 31, 2009 and 2008, respectively. The decrease is due to a decrease in raising funds from our shareholders to develop our products for sale in the market. We sold common shares and received proceeds of $463,000 and received proceeds from an affiliate of 52,000, and repaid our notes payables of 155, 258 the three months ended March 31, 2009 as compared to $388,000 in the proceeds from the sale of our common stock three months ended 2008.

On April 20, 2009, under the terms and conditions of the Preferred Purchase Agreement, we issued 78.3 Series B Shares to approximately 10 investors, resulting in gross proceeds of $783,000.

On April 15, 2009, the Company entered into a twelve month Line of Credit Agreement with U.S. Bancorp. Pursuant to this Line of Credit, the Company may draw down up Two Hundred and Fifty-Thousand Dollars ($250,000) secured by the Company’s inventory. Under the terms of the line of credit the Company will pay an annual rate equal to 3.5% plus the one month Libor rate not to be less than 4.5%.

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Critical Accounting Policies

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Our management periodically evaluates the estimates and judgments made. Management bases its estimates and judgments on historical experience and on various factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates as a result of different assumptions or conditions.

Accounting Policies and Estimates

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States of America requires our management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Our management periodically evaluates the estimates and judgments made. Management bases its estimates and judgments on historical experience and on various factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates as a result of different assumptions or conditions.
As such, in accordance with the use of accounting principles generally accepted in the United States of America, our actual realized results may differ from management's initial estimates as reported. A summary of significant accounting policies are detailed in notes to the financial statements which are an integral component of this filing.

Revenue Recognition

Revenue from product sales is recognized upon shipment to customers at which time such customers are invoiced. Units are shipped under the terms of FOB shipping point when determination is made that collectibility is probable. Revenues for services are recognized upon completion of the services. For consulting services and other fee-for-service arrangements, revenue is recognized upon completion of the services. The Company has adopted the Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 104, which provides guidance on the recognition, presentation and disclosure of revenue in financial statements.

WHERE YOU CAN FIND MORE INFORMATION

You are advised to read this Form 10-Q in conjunction with other reports and documents that we file from time to time with the SEC. In particular, please read our Quarterly Reports on Form 10-Q, Annual report on Form 10-K, and Current Reports on Form 8-K that we file from time to time. You may obtain copies of these reports directly from us or from the SEC at the SEC's Public Reference Room at 100 F. Street, N.E. Washington, D.C. 20549, and you may obtain information about obtaining access to the Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains information for electronic filers at its website http://www.sec.gov.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We do not hold any derivative instruments and do not engage in any hedging activities. Most of our activity is the sale of our nutricutical products.

ITEM 4. CONTROLS AND PROCEDURES

a) Evaluation of Disclosure Controls and Procedures

Scott Landow our Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report were effective such that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance, however, that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Our Chief Executive Officer and Chief Financial Officer is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives. Furthermore, smaller reporting companies face additional limitations. Smaller reporting companies employ fewer individuals and find it difficult to properly segregate duties. Often, one or two individuals control every aspect of the Company's operation and are in a position to override any system of internal control. Additionally, smaller reporting companies tend to utilize general accounting software packages that lack a rigorous set of software controls.

Our Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the Company's internal control over financial reporting as of March 31, 2009. In making this assessment, our Chief Executive Officer and Chief Financial Officer used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control -- Integrated Framework. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer, concluded that, as of March 31, 2009, our internal control over financial reporting was effective.

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b) Changes in Internal Control over Financial Reporting.

During the Quarter ended March 31, 2009, there was no change in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

LACK OF INDEPENDENT BOARD OF DIRECTORS AND AUDIT COMMITTEE

Management is aware that an audit committee composed of the requisite number of independent members along with a qualified financial expert has not yet been established. Considering the costs associated with procuring and providing the infrastructure to support an independent audit committee and the limited number of transactions, Management has concluded that the risks associated with the lack of an independent audit committee are not justified. Management will periodically reevaluate this situation.

LACK OF SEGREGATION OF DUTIES

Management is aware that there is a lack of segregation of duties at the Company due to the small number of employees dealing with general administrative and financial matters. However, at this time management has decided that considering the abilities of the employees now involved and the control procedures in place, the risks associated with such lack of segregation are low and the potential benefits of adding employees to clearly segregate duties do not justify the substantial expenses associated with such increases. Management will periodically reevaluate this situation

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PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries, threatened against or affecting our company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

ITEM 1A - Risk Factors

An investment in our common stock involves a high degree of risk. You should carefully consider the following information about these risks, together with the other information contained in this Annual Report on Form 10-K, before investing in our common stock. If any of the events anticipated by the risks described below occur, our results of operations and financial condition could be adversely affected which could result in a decline in the market price of our common stock, causing you to lose all or part of your investment. We have updated the risk factors previously disclosed in our registration statement on Form SB-2, filed November 22, 2006 (the “Form SB-2”) and in our Annual Report on Form 10–K for the year ended December 31, 2008, which was filed with the Securities and Exchange Commission on March 20, 2009 (the “Fiscal 2008 10–K”). We believe there are no changes that constitute material changes from the risk factors previously disclosed in the Fiscal 2008 10–K and the Form SB-2 except as disclosed below.

Our Common Stock Is Subject To Penny Stock Regulation

Our shares are subject to the provisions of Section 15(g) and Rule 15g-9 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), commonly referred to as the "penny stock" rule. Section 15(g) sets forth certain requirements for transactions in penny stocks and Rule 15g-9(d)(1) incorporates the definition of penny stock as that used in Rule 3a51-1 of the Exchange Act. The Commission generally defines penny stock to be any equity security that has a market price less than $5.00 per share, subject to certain exceptions. Rule 3a51-1 provides that any equity security is considered to be penny stock unless that security is: registered and traded on a national securities exchange meeting specified criteria set by the Commission; authorized for quotation on the NASDAQ Stock Market; issued by a registered investment company; excluded from the definition on the basis of price (at least $5.00 per share) or the registrant's net tangible assets; or exempted from the definition by the Commission. Since our shares are deemed to be "penny stock", trading in the shares will be subject to additional sales practice requirements on broker/dealers who sell penny stock to persons other than established customers and accredited investors.

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FINRA Sales Practice Requirements May Also Limit A Stockholder's Ability To Buy And Sell Our Stock.

In addition to the “penny stock” rules described above, the Financial Industry Regulatory Authority (FINRA) has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

We May Not Have Access To Sufficient Capital To Pursue Our Business And Therefore Would Be Unable To Achieve Our Planned Future Growth.

We intend to pursue a growth strategy that includes development of the Company business and technology. Currently we have limited capital which is insufficient to pursue our plans for development and growth. Our ability to implement our growth plans will depend primarily on our ability to obtain additional private or public equity or debt financing. We are currently seeking additional capital. Such financing may not be available at all, or we may be unable to locate and secure additional capital on terms and conditions that are acceptable to us. Our failure to obtain additional capital will have a material adverse effect on our business.

Nevada Law And Our Articles Of Incorporation Protect Our Directors From Certain Types Of Lawsuits, Which Could Make It Difficult For Us To Recover Damages From Them In The Event Of A Lawsuit.

Nevada law provides that our directors will not be liable to our company or to our stockholders for monetary damages for all but certain types of conduct as directors. Our Articles of Incorporation require us to indemnify our directors and officers against all damages incurred in connection with our business to the fullest extent provided or allowed by law. The exculpation provisions may have the effect of preventing stockholders from recovering damages against our directors caused by their negligence, poor judgment or other circumstances. The indemnification provisions may require our company to use our assets to defend our directors and officers against claims, including claims arising out of their negligence, poor judgment, or other circumstances.

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Because We Are Quoted On The OTCBB Instead Of An Exchange Or National Quotation System, Our Investors May Have A Tougher Time Selling Their Stock Or Experience Negative Volatility On The Market Price Of Our Stock.

Our common stock is traded on the OTCBB. The OTCBB is often highly illiquid. There is a greater chance of volatility for securities that trade on the OTCBB as compared to a national exchange or quotation system. This volatility may be caused by a variety of factors, including the lack of readily available price quotations, the absence of consistent administrative supervision of bid and ask quotations, lower trading volume, and market conditions. Investors in our common stock may experience high fluctuations in the market price and volume of the trading market for our securities. These fluctuations, when they occur, have a negative effect on the market price for our securities. Accordingly, our stockholders may not be able to realize a fair price from their shares when they determine to sell them or may have to hold them for a substantial period of time until the market for our common stock improves.

Failure To Achieve And Maintain Effective Internal Controls In Accordance With Section 404 Of The Sarbanes-Oxley Act Could Have A Material Adverse Effect On Our Business And Operating Results.

It may be time consuming, difficult and costly for us to develop and implement the additional internal controls, processes and reporting procedures required by the Sarbanes-Oxley Act. We may need to hire additional financial reporting, internal auditing and other finance staff in order to develop and implement appropriate additional internal controls, processes and reporting procedures. If we are unable to comply with these requirements of the Sarbanes-Oxley Act, we may not be able to obtain the independent accountant certifications that the Sarbanes-Oxley Act requires of publicly traded companies.

If we fail to comply in a timely manner with the requirements of Section 404 of the Sarbanes-Oxley Act regarding internal control over financial reporting or to remedy any material weaknesses in our internal controls that we may identify, such failure could result in material misstatements in our financial statements, cause investors to lose confidence in our reported financial information and have a negative effect on the trading price of our common stock.

Pursuant to Section 404 of the Sarbanes-Oxley Act and current SEC regulations, beginning with our annual report on Form 10-K for our fiscal period ending May 31, 2008, we will be required to prepare assessments regarding internal controls over financial reporting and beginning with our annual report on Form 10-K for our fiscal period ending May 31, 2009, furnish a report by our management on our internal control over financial reporting. We have begun the process of documenting and testing our internal control procedures in order to satisfy these requirements, which is likely to result in increased general and administrative expenses and may shift management time and attention from revenue-generating activities to compliance activities. While our management is expending significant resources in an effort to complete this important project, there can be no assurance that we will be able to achieve our objective on a timely basis. There also can be no assurance that our auditors will be able to issue an unqualified opinion on management's assessment of the effectiveness of our internal control over financial reporting. Failure to achieve and maintain an effective internal control environment or complete our Section 404 certifications could have a material adverse effect on our stock price.

In addition, in connection with our on-going assessment of the effectiveness of our internal control over financial reporting, we may discover "material weaknesses" in our internal controls as defined in standards established by the Public Company Accounting Oversight Board, or the PCAOB. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected. The PCAOB defines "significant deficiency" as a deficiency that results in more than a remote likelihood that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected.

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In the event that a material weakness is identified, we will employ qualified personnel and adopt and implement policies and procedures to address any material weaknesses that we identify. However, the process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. We cannot assure you that the measures we will take will remediate any material weaknesses that we may identify or that we will implement and maintain adequate controls over our financial process and reporting in the future.

Any failure to complete our assessment of our internal control over financial reporting, to remediate any material weaknesses that we may identify or to implement new or improved controls, or difficulties encountered in their implementation, could harm our operating results, cause us to fail to meet our reporting obligations or result in material misstatements in our financial statements. Any such failure could also adversely affect the results of the periodic management evaluations of our internal controls and, in the case of a failure to remediate any material weaknesses that we may identify, would adversely affect the annual auditor attestation reports regarding the effectiveness of our internal control over financial reporting that are required under Section 404 of the Sarbanes-Oxley Act. Inadequate internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock.

Operating History And Lack Of Profits Which Could Lead To Wide Fluctuations In Our Share Price. The Price At Which You Purchase Our Common Shares May Not Be Indicative Of The Price That Will Prevail In The Trading Market. You May Be Unable To Sell Your Common Shares At Or Above Your Purchase Price, Which May Result In Substantial Losses To You. The Market Price For Our Common Shares Is Particularly Volatile Given Our Status As A Relatively Unknown Company With A Small And Thinly Traded Public Float, Limited

The market for our common shares is characterized by significant price volatility when compared to seasoned issuers, and we expect that our share price will continue to be more volatile than a seasoned issuer for the indefinite future. The volatility in our share price is attributable to a number of factors. First, as noted above, our common shares are sporadically and thinly traded. As a consequence of this lack of liquidity, the trading of relatively small quantities of shares by our shareholders may disproportionately influence the price of those shares in either direction. The price for our shares could, for example, decline precipitously in the event that a large number of our common shares are sold on the market without commensurate demand, as compared to a seasoned issuer which could better absorb those sales without adverse impact on its share price. Secondly, we are a speculative or “risky” investment due to our limited operating history and lack of profits to date, and uncertainty of future market acceptance for our potential products. As a consequence of this enhanced risk, more risk-adverse investors may, under the fear of losing all or most of their investment in the event of negative news or lack of progress, be more inclined to sell their shares on the market more quickly and at greater discounts than would be the case with the stock of a seasoned issuer. Many of these factors are beyond our control and may decrease the market price of our common shares, regardless of our operating performance. We cannot make any predictions or projections as to what the prevailing market price for our common shares will be at any time, including as to whether our common shares will sustain their current market prices, or as to what effect that the sale of shares or the availability of common shares for sale at any time will have on the prevailing market price.

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Shareholders should be aware that, according to SEC Release No. 34-29093, the market for penny stocks has suffered in recent years from patterns of fraud and abuse. Such patterns include (1) control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer; (2) manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases; (3) boiler room practices involving high-pressure sales tactics and unrealistic price projections by inexperienced sales persons; (4) excessive and undisclosed bid-ask differential and markups by selling broker-dealers; and (5) the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the resulting inevitable collapse of those prices and with consequent investor losses. Our management is aware of the abuses that have occurred historically in the penny stock market. Although we do not expect to be in a position to dictate the behavior of the market or of broker-dealers who participate in the market, management will strive within the confines of practical limitations to prevent the described patterns from being established with respect to our securities. The occurrence of these patterns or practices could increase the volatility of our share price.

We Depend Upon Key Management Personnel and the Loss of Any of Them Would Seriously Disrupt Our Operations:

The success of our company is largely dependent on the personal efforts of Scott Landow, Ryan Zink, John Wilson and other key executives. The loss of the services of Scott Landow, Ryan Zink, John Wilson or other key executives would have a material adverse effect on our business and prospects. In addition, in order for us to undertake our operations as contemplated, it will be necessary for us to locate and hire experienced personnel who are knowledgeable in the Nutraceutical Dietary Supplement business. Our failure to attract and retain such experienced personnel on acceptable terms will have a material adverse impact on our ability to grow our business.

The nutritional supplements industry is intensely competitive. We have many well-established competitors with substantially greater financial and other resources than it. These factors may make it more difficult for us to successfully implement its business plan and may adversely affect its results of operations.

The nutritional supplements industry is a large, highly fragmented and growing industry, with, to management's knowledge, no single industry participant accounting for more than 10% of total industry retail sales. Participants include specialty retailers, supermarkets, drugstores, mass merchants (wholesalers), multi-level marketing organizations, mail order companies and a variety of other smaller participants. The market is also highly sensitive to the introduction of new products, including various prescription drugs, which may rapidly capture a significant share of the market. Increased competition from companies that distribute through retail or wholesale channels could have a material adverse effect on our financial condition and results of operations. We are a development stage business and the only revenues we have received from product sales since inception were nominal. Accordingly, we have not been operational long enough to experience any of the above problems. However, since we are a development stage business, most, if not all companies in our industry have greater financial and other resources available to them and possess manufacturing, distribution and marketing capabilities greater than ours. In addition, our competitors may be more effective and efficient in integrating new products. We may not be able to compete effectively and any of the factors listed above may cause price reductions, reduced margins and difficulties in gaining market share.

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ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS SECURITIES

During three months ended March 31, 2009, the Company issued 2,778,000 shares of its common stock and 46.3 Preferred Series B stock for $463,000. The offer and sale of such shares of our common stock were effected in reliance on the exemptions for sales of securities not involving a public offering, as set forth in Rule 506 promulgated under the Securities Act and in Section 4(2) of the Securities Act, based on the following: (a) the investors confirmed to us that they were "accredited investors," as defined in Rule 501 of Regulation D promulgated under the Securities Act and had such background, education and experience in financial and business matters as to be able to evaluate the merits and risks of an investment in the securities; (b) there was no public offering or general solicitation with respect to the offering; (c) the investors were provided with certain disclosure materials and all other information requested with respect to our company; (d) the investors acknowledged that all securities being purchased were "restricted securities" for purposes of the Securities Act, and agreed to transfer such securities only in a transaction registered under the Securities Act or exempt from registration under the Securities Act; and (e) a legend was placed on the certificates representing each such security stating that it was restricted and could only be transferred if subsequent registered under the Securities Act or transferred in a transaction exempt from registration under the Securities Act.

During the three months ended March 31, 2009, the Company issued shares of its common stock as consideration to consultants for the fair value of the services rendered. The value of those shares is determined based on the trading value of the stock at the dates on which the agreements were into for the services and the value of services rendered. During the three months ended March 31, 2009, the Company granted to consultants, 83,000 shares of common stock at a value of $17,430. The offer and sale of such shares of our common stock were effected in reliance on the exemptions for sales of securities not involving a public offering, as set forth in Rule 506 promulgated under the Securities Act and in Section 4(2) of the Securities Act. A legend was placed on the certificates representing each such security stating that it was restricted and could only be transferred if subsequent registered under the Securities Act or transferred in a transaction exempt from registration under the Securities Act.

During the three months ended March 31, 2008, the Company has issued 388,000 shares of its common stock for $388,000. The offer and sale of such shares of our common stock were effected in reliance on the exemptions for sales of securities not involving a public offering, as set forth in Rule 506 promulgated under the Securities Act and in Section 4(2) of the Securities Act, based on the following: (a) the investors confirmed to us that they were "accredited investors," as defined in Rule 501 of Regulation D promulgated under the Securities Act and had such background, education and experience in financial and business matters as to be able to evaluate the merits and risks of an investment in the securities; (b) there was no public offering or general solicitation with respect to the offering; (c) the investors were provided with certain disclosure materials and all other information requested with respect to our company; (d) the investors acknowledged that all securities being purchased were "restricted securities" for purposes of the Securities Act, and agreed to transfer such securities only in a transaction registered under the Securities Act or exempt from registration under the Securities Act; and (e) a legend was placed on the certificates representing each such security stating that it was restricted and could only be transferred if subsequent registered under the Securities Act or transferred in a transaction exempt from registration under the Securities Act.

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ITEM 3. DEFAULTS UPON SENIOR SECURITIES

There were no defaults upon senior securities during the period ended March 31, 2009.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to the vote of securities holders during the period ended March 31, 2009.

ITEM 5. OTHER INFORMATION

There is no information with respect to which information is not otherwise called for by this form.

ITEM 6. EXHIBITS

31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act.
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act.
32.2	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant	Bond Laboratories, Inc.
Date: May 15, 2009	By: /s/ Scott Landow Scott Landow Chairman, Chief Executive Officer (Principle Executive Officer, Principle Financial Officer)