

[Federal aid programs make college dreams a reality](#)

[Celeb trainer discovers natural strength supplement](#)

ANALYST RESEARCH

Report Title	Price
Jones Soda Co: Business description, financial summary, 3yr and interim financials, key statistics/ratios and historical ratio analysis. Provider: Reuters Investment Profile	\$20.00 BUY
Jones Soda Co.: Business description, financial summary, 3yr and interim financials, key statistics/ratios and historical ratio analysis. Provider: Reuters Investment Profile	\$20.00 BUY
ValuEngine Detailed Valuation Report for JSDA Provider: ValuEngine, Inc.	\$25.00 BUY

NYSE and AMEX quotes delayed by at least 20 minutes. NASDAQ delayed by at least 15 minutes. For a complete list of exchanges and delays, please [click here](#).

» [More Analyst Research](#)

UPDATE 4-Reed's plans to buy Jones Soda for about \$9.7 mln

* Jones CEO to step down

Tue Mar 9, 2010 1:37pm EST

[STOCKS](#) | [MERGERS & ACQUISITIONS](#) | [NON-CYCLICAL CONSUMER GOODS](#)

* Offer of 37 cents per Jones share, at 56 pct discount

* Jones shares down, Reed's up (Recasts; adds comments, details, updates share movement)

By [Nivedita Bhattacharjee](#)

BANGALORE, March 9 (Reuters) - Struggling soft drink maker Jones Soda Co ([JSDA.O](#)) signed a letter of intent to be acquired by Reed's Inc ([REED.O](#)) in a cash-and-stock deal that could possibly end its year-long search for a buyer.

The offer from Reed's, which makes natural sodas and other non-alcoholic drinks, values Jones at about \$9.7 million, or 37 cents a share, based on Reed's Monday close of \$1.58. That is a discount of 56 percent to Jones' Monday close.

Even at a discount, this might be a good bet for Jones, which has been reviewing strategic alternatives since February 2009, and had only managed to attract one suitor in December. [ID:nSGE5BK0IB]

"Jones is a very small but very good brand... the deal makes very good sense for both companies," said John Sicher, the editor and publisher of industry publication Beverage Digest.

"I would expect that Reed's sees value in the Jones brand and would continue to nurture and try to grow it."

Smaller players have found it tough to hold their own in the cut-throat soft-drinks environment in the United States that is dominated by bigwigs like Coca Cola Co ([KO.N](#)), Pepsico Inc ([PEP.N](#)) and Dr Pepper Snapple Group Inc ([DPS.N](#)).

DEAL AT A DISCOUNT

The companies said Jones shareholders would receive 4.5 million shares of Reed's common stock and 10 cents per Jones share in cash.

Reed's and Jones have until April 5 to negotiate a definitive agreement on an exclusive basis.

Shares of Jones have plunged to 84 cents as of Monday's close from a level above \$20 reached in March 2007, when stock commentator Jim Cramer touted the stock on his "Mad Money" show on business cable channel CNBC.

Stocks

Jones Soda Co.
[JSDA.O](#)
\$0.54
-0.04 -6.83%
9:41am PST

Reed's, Inc.
[REED.O](#)
\$1.77
-0.02 -1.12%
9:48am PST

The Coca-Cola Company
[KO.N](#)
\$54.22
+0.04 +0.07%
9:48am PST

In 2007, the company's chief executive resigned and the Securities and Exchange Commission conducted an informal probe of company officers for insider trading, though it ultimately did not recommend enforcement action. A year later, Jones cut 38 percent of its workforce.

Seattle-based Jones, famed for its unusual flavors, including mashed-potato flavored drinks, also said its current chief executive, Joth Ricci, will be stepping down effective April 2.

"Over the past year we have taken numerous steps to reduce our expenses and reinvigorate our top line in order to return to profitability," Rick Eiswirth, chairman of Jones, said in a statement.

"Unfortunately, the challenging economic environment combined with our current capitalization has made it extremely difficult to operate on a standalone basis."

Jones shares were trading down 38 percent at 52 cents, while Reed's stock was up 6 percent at \$1.67 Tuesday afternoon on Nasdaq. (Reporting by Nivedita Bhattacharjee in Bangalore; Editing by Aradhana Aravindan, Anne Pallivathuckal)

STOCKS MERGERS & ACQUISITIONS NON-CYCLICAL CONSUMER GOODS

After reading this article, people also read:

[UPDATE 1-Forsys invites proposals for Namibia project funding](#)
Mar 9, 2010

[UPDATE 1-Infogroup to go private for \\$463 mln](#)
Mar 8, 2010

ADD A COMMENT

 Submit Comment

Ads by Marchex

[Free Forex Practice Account](#)
Free Training. Free Practice Account. Try GFT Risk-Free.
GFTforex.com

[FREE Innovation Management White Paper](#)
Best Practices for Networked Innovation: The New Business Imperative. FREE DL!
www.verticali.com/

[Online Debt Settlement](#)
Cut Your Debt By 60% & Set Your Own Payment!
JustClickLocal.com

[We Hunt For One Thing... GAINS!](#)
Know Before They Run Every Time. In A World Of Pennies... We Hunt For Bucks!
www.StockHunter.us

REUTERS

© Copyright 2010 Thomson Reuters

Editorial Editions: 

REUTERS
Contact Us

Analyst Research

THOMSON REUTERS
Copyright

ONLINE PRODUCTS
Acquisitions Monthly



Contact Us

Advertise With Us
Help
Journalism Handbook
Archive
Site Index
Video Index

Analyst Research

Mobile
Newsletters
RSS
Podcasts
Widgets
Your View
Labs

Copyright

Disclaimer
Privacy
Professional Products
Professional Products Support
Financial Products
About Thomson Reuters
Careers

Acquisitions monthly

Buyouts.com
Buyouts Europe:
Buyouts Conferences:
Venture Capital Journal
EVCJ
International Financing Review
International Securitisation Report
Project Finance International
PEhub.com
PE Week

Thomson Reuters is the world's largest international multimedia news agency, providing investing news, world news, business news, technology news, headline news, small business news, news alerts, personal finance, stock market, and mutual funds information available on Reuters.com, video, mobile, and interactive television platforms. Thomson Reuters journalists are subject to an [Editorial Handbook](#) which requires fair presentation and disclosure of relevant interests.

NYSE and AMEX quotes delayed by at least 20 minutes. Nasdaq delayed by at least 15 minutes. For a complete list of exchanges and delays, [please click here](#).