

Ace Marketing & Promotions, Inc. Signs Letter of Intent to Acquire Customer Base of Bright Ideas Marketing & Promotions, Inc.

2007-02-21 16:17 ET - News Release



VALLEY STREAM, NY -- (MARKET WIRE) -- 02/21/07

Ace Marketing & Promotions, Inc. (OTCBB: AMKT) announced today that it has entered into a Letter of Intent to acquire the customer base and other intangible assets of Bright Ideas Marketing & Promotions, a Florida-based distributor of advertising specialties and promotional products.

With annual revenues of approximately \$1 million, Bright Ideas has been targeted by Ace as its first acquisition in the \$17.85 billion promotional products industry. At such time as the acquisition is completed, we will operate a sales office out of Bright Ideas' Jupiter, Florida location. All order processing, tracking, billing and other operations will be handled out of the Ace Marketing corporate headquarters in Valley Stream, N.Y.

Maureen L. Magee, President of Bright Ideas, said, "Over the past several years my partner and I have been exploring many options to help us elevate our already successful business to the next level as well as developing a long term plan for our future and the future of our company. After much research, we are confident that joining with Ace Marketing is the best way for us to achieve those goals. We look forward to moving ahead with solidifying our relationship with Ace."

Michael Trepeta, President of Ace Marketing, stated, "After exploring several potential acquisitions in various regions across the country, we are excited to begin building a presence in the South Florida market. The two principals of Bright Ideas have agreed to stay on for an extended period of time to help with the transition of the client base and will continue to expand their business without the distractions of having to run the operation. They are well respected, creative industry veterans who are a fantastic addition to our company. We are also exploring other opportunities in the area to bring additional sales to the South Florida office after the deal is closed."

Ace Marketing has built a scalable platform that allows the company to open branch offices in any part of the country. Dean Julia, CEO, stated, "Once a company is acquired or a group of salespeople are recruited; only the research and sales will take place at the branch office. Technology now allows us to 'pipe' the order from that office to our corporate operation where the order is seen to fruition. This strategy allows us to capitalize on economies of scale and also allows the salesperson to become more productive while receiving superior sales support. The model will allow us to replicate the process over and over again as we find opportunities across the country."