

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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**Innovative Impact Design, Inc.**

CIK: 1065516 | IRS No.: 591413673 | State of Incorporation: FL | Fiscal Year End: 1231  
Type: 10-Q | Act: 34 | File No.: 000-28811 | Film No.: 09545273  
SIC: 1600 Heavy construction other than bldg const - contractors

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<pre>

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

FORM 10-Q

(Mark One)

Quarterly report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934. For the quarterly period ended September 30, 2008 or

Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934. For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 0-28811

INNOVATIVE IMPACT DESIGN, INC.

-----  
(Exact Name of registrant as specified in its charter)

Florida

0-25853

59-1413673

-----  
(State or other jurisdiction  
of incorporation)

-----  
(Commission File Number)

-----  
(I.R.S. Employer  
Identification No.)

1251 N. Fruitridge Ave.  
Terre Haute, Indiana 47804

-----  
(Address of principal executive offices)

877-443-4554

-----  
Issuer's telephone Number

Indicate by check mark whether the registrant (1) has filed all reports required to be filed 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 | | No |X|

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer | | Accelerated filer | |  
Non-accelerated filer | | Smaller reporting company | |  
(Do not check if a smaller reporting company)

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

As of December 1, 2008, the Company had a total of 649,396 shares of Class B Common Stock, par value \$.01 per share (the "Common Stock"), outstanding and had no shares of Class A Common Stock outstanding.

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PART I

ITEM 1. FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

INNOVATIVE IMPACT DESIGN, INC.  
BALANCE SHEETS  
(Unaudited)

September 30, 2008

|  |             |
|--|-------------|
| ASSETS   |             |
| -----  |             |
| CURRENT ASSETS   |             |
| -----  |             |
| Cash   | \$ 500      |
| Total assets   | \$ 500      |
| LIABILITIES AND STOCKHOLDERS' EQUITY   |             |
| -----  |             |
| CURRENT LIABILITIES  |             |
| -----  |             |
| Notes Payable to related parties   | \$ 28,357   |
| TOTAL CURRENT LIABILITIES  | \$ 28,357   |
| =====  |             |
| STOCKHOLDERS' EQUITY   |             |
| Class B Common stock, \$.01 par value,<br>250,000,000 shares authorized,<br>649,396 issued and outstanding | 6,494       |
| Additional paid in capital   | 1,944,540   |
| Accumulated deficit, including deficit<br>accumulated during the development<br>stage of \$114,310         | (1,979,891) |
|  | (28,857)    |
| Total liabilities and shareholders'<br>equity (deficit)  | \$ 500      |
|  | =====       |

The accompanying notes and accountant's report should be read with these financial statements.

INNOVATIVE IMPACT DESIGN, INC.  
STATEMENTS OF OPERATIONS

-----

Nine Months Ended  
September 30, 2008

-----

(unaudited)

|                            |    |           |
|----------------------------|----|-----------|
| Sales                      | \$ | -         |
| -----                      |    |           |
| Operating expenses:        |    |           |
| Professional fees          | \$ | 115,859   |
| General and administrative | \$ | 1,486     |
| Taxes and fees             | \$ | 800       |
| -----                      |    |           |
| Total operating expenses   |    | 118,145   |
| -----                      |    |           |
| Net loss                   | \$ | (118,145) |
| =====                      |    |           |

INNOVATIVE IMPACT DESIGN, INC.  
STATEMENTS OF CASH FLOWS

-----

(Unaudited)

Nine Months Ended  
September 30, 2008

-----

(unaudited)

|                                      |    |           |
|--------------------------------------|----|-----------|
| Cash Flows from Operating Activities |    |           |
| Net loss                             | \$ | (118,145) |
| Noncash item included                |    |           |
| In net income (loss) -               |    |           |
| Fair value of securities issued      |    |           |
| for compensation                     |    | 115,859   |
| -----                                |    |           |
| Net cash provided (used)             |    | (2,286)   |
| by operating activities              |    |           |
| -----                                |    |           |
| Cash Flows From Investing Activities |    |           |
| Proceeds from related part notes     |    | 592       |
| -----                                |    |           |
| Net cash provided (used)             |    | 592       |
| by financing activities              |    |           |
| -----                                |    |           |
| Net increase (decrease) in cash      |    | (1,864)   |
| Cash - beginning of year             |    | 2,194     |
| -----                                |    |           |
| Cash - end of 3rd qtr.               | \$ | 500       |

The accompanying notes and accountant's report should be read with these financial statements.

<table>

INNOVATIVE IMPACT DESIGN, INC. STATEMENTS OF STOCKHOLDERS' EQUITY  
(for the Nine Months ended September 30, 2008)  
(Unaudited)

|                           | Date of<br>Transaction | Number<br>of Shares | Class B<br>Common<br>Stock | Additional<br>Paid in Capital | Additional<br>Deficit | Total       |
|---------------------------|------------------------|---------------------|----------------------------|-------------------------------|-----------------------|-------------|
|                           | -----                  | -----               | -----                      | -----                         | -----                 | -----       |
|                           | <C>                    | <C>                 | <C>                        | <C>                           | <C>                   | <C>         |
| Balance December 31, 2007 |                        | 201,671             | \$ 2,017                   | \$ 1,832,858                  | \$ (1,834,875)        | \$ (26,571) |
| Net Income (loss)         |                        |                     |                            |                               | (118,145)             | (118,145)   |

Issuance of common stock,  
\$.01 par value

Loss from reverse stock  
split and resetting of  
par value to \$.01

(26,871)

|   |        |         |       |        |        |
|---|--------|---------|-------|--------|--------|
| Stock Issued For Services   | 4-1-08 | 171,429 | 1,714 | 58,286 | 60,000 |
| Proceeds from issuance<br>of common stock in excess<br>of par value |        |         |       |        |        |

|   |        |         |       |        |        |
|---|--------|---------|-------|--------|--------|
| Stock Issued For Services   | 9-4-08 | 276,296 | 2,763 | 53,396 | 55,859 |
| Proceeds from issuance<br>of common stock in excess<br>of par value |        |         |       |        |        |

|                        |         |          |             |               |             |
|------------------------|---------|----------|-------------|---------------|-------------|
| Balance Sept. 30, 2008 | 649,396 | \$ 6,494 | \$1,944,540 | \$(1,979,891) | \$ (28,857) |
|------------------------|---------|----------|-------------|---------------|-------------|

The accompanying notes and accountant's report should be read with these financial statements.  
</table>

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#### NOTES TO FINANCIAL STATEMENTS

##### Note A - Organization and Description of Business

Innovative Impact Design, Inc. (the "Company") was incorporated on December 31, 1976 accordance with the laws of the State of Florida.

The Company is in business to develop, produce, market and sell plastic materials to various unrelated entities located throughout the United States, Canada, and Central and South America. The Company has developed what it believes is a proprietary process for the manufacture of plastic materials at costs comparable to other plastic compounders which are designed to meet current and anticipated future environmental standards, encourage the preservation of natural resources and promote plastic recycling.

##### Expansion - Plastic Roofing Products

The Company has expanded its operations to produce plastic roofing tiles in which it manufactures these tiles through a compression molding process. The Company anticipates that its plastic roofing products will be a viable alternative to more expensive traditional roofing products. The Company expects its plastic roofing products to be priced lower than wood shake, slate and clay tiles and it expects to price its plastic roofing products competitively with other alternative roofing materials. The Company believes that it's plastic roofing tiles are considerably more durable than wood, slate or barrel tiles made from traditional materials. The plastic roofing tiles have a life expectancy of approximately 50 years, whereas natural tiles have a life expectancy of approximately 20 years.

The Company offers a variety of roofing profiles and colors, including customization options, to satisfy diverse requests. It plans to initially offer simulated slate in six colors, simulated cedar slate in four colors, simulated Spanish tile in three colors, and simulated flat cement thatch in five colors.

The Company believes that traditional roofing products are generally either attractive or safe, but not both. It also believes that its roofing products combine these two desirable characteristics and the Company aims to position its products with distributors and suppliers, contractors and builders, architects, and end-consumers as high-quality, durable, environmentally-friendly products that adds beauty and safety to virtually any structure at a competitive price.

##### Note B - Preparation of Financial Statements

The Company follows the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and has a year-end of December 31.

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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented.

For segment reporting purposes, the Company operated in one industry segment during the periods presented in the accompanying financial statements and makes all operating decisions and allocates resources based on the best benefit to the Company as a whole.

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#### NOTES TO FINANCIAL STATEMENTS - CONTINUED

##### Note C - Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. This basis of accounting contemplates the recovery of the Company's assets and the satisfaction of its liabilities in the normal course of business. Through September 30, 2008, the Company had incurred cumulative losses of \$1,980,000. The Company's successful transition to attaining profitable operations is dependent upon obtaining financing adequate to fulfill its development, marketing and sales activities and achieving a level of revenues adequate to support the Company's cost structure. Management's plan of operations anticipates that the cash requirements of the Company for the next twelve months will be met by obtaining capital contributions through the sale of common stock and from current operations. However, there is no assurance that the Company will be able to fully implement its plan in order to generate the funds needed to operate as a going concern.

##### Note D - Summary of Significant Accounting Policies

###### 1. Cash and Cash Equivalents

The Company considers all cash on hand and in banks, certificates of deposit and other highly-liquid investments with maturities of three months or less, when purchased, to be cash and cash equivalents.

###### 2. Property and Equipment

Property and equipment is recorded at cost and is depreciated on a straight-line basis over the estimated useful lives (generally 3 to 10 years) of the respective asset. Major additions and betterments are capitalized and depreciated over the estimated useful lives of the related assets. Maintenance, repairs, and minor improvements are charged to expense as incurred.

###### 3. Organization and Reorganization Costs

The Company has adopted the provisions of AICPA Statement of Position 98-5, "Reporting on the Costs of Start-Up Activities," whereby all organizational and initial costs incurred with the incorporation and initial capitalization of the Company was charged to operations as incurred.

###### 4. Research and Development Expenses

Research and development expenses are charged to operations as incurred.

###### 5. Advertising Expenses

The Company does not utilize direct solicitation advertising. All other advertising and marketing expenses are charged to operations as incurred.

## 6. Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. At September 30, 2008 and 2007, the deferred tax asset and deferred tax liability accounts, as recorded when material, are entirely the result of temporary differences. Temporary differences represent differences in the recognition of assets and liabilities for tax and financial reporting purposes, primarily, accumulated depreciation and amortization.

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### NOTES TO FINANCIAL STATEMENTS - CONTINUED

## 7. Share-Based Payments

The Company utilizes the fair-value method of accounting for the payment for goods and/or services with the issuance of equity shares in lieu of cash.

The Company accounts for its stock based compensation under the provisions of the Financial Accounting Standards Board's ("FASB") Statement of Financial Accounting Standards ("SFAS") No. 148 "Accounting for Stock-Based Compensation - Transition and Disclosure." This statement amends SFAS No. 123(R) "Accounting for Stock-Based Compensation." The Company expenses the imputed compensation cost related to stock options.

## 8. Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing the net income (loss) available to common shareholders by the weighted-average number of common shares outstanding during the respective period presented in the Company's accompanying financial statements.

Fully diluted earnings per share is computed similar to basic income per share except that the denominator is increased to include the number of common stock equivalents (primarily outstanding options and warrants).

Common stock equivalents represent the dilutive effect of the assumed exercise of the outstanding stock options and warrants, using the treasury stock method, at either the beginning of the respective period presented or the date of issuance, whichever is later, and only if the common stock equivalents are considered dilutive based upon the Company's net income position at the calculation date.

## 9. Accounts Receivable

The Company makes judgments as to the collectibility of accounts receivable based on historic trends and future expectations. Management estimates an allowance for doubtful accounts, which represents the collectibility of the receivables.

## 10. Warranty Costs

The Company warrants that its products will be free of faulty workmanship or defective materials and that they will conform to published specifications or other specifications mutually agreed to with a customer. An accrual for expected warranty costs results in a charge to the financial results in the period recorded. This liability can be difficult to estimate and, if the Company experiences warranty claims in excess of its projections, it may need to record additional accruals, which would adversely affect the Company's financial results.

The Company allows only its distributors to exchange products for other than warranty reasons. If the Company is unable to repair or replace a product returned under warranty, it issues a credit for a warranty return.

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

The following discussion and analysis should be read in conjunction with our consolidated financial statements and notes included elsewhere in this report.

This report contains forward-looking statements, including statements concerning future conditions in the computer voting and anti-virus industry, and concerning our future business, financial condition, operating strategies, and operational and legal risks. We use words like "believe," "expect," "may," "will," "could," "estimate," "continue," "anticipate," "intend," "future," "plan" or variations of those terms and other similar expressions, including their use in the negative, to identify forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as to our expectations as of the date of this report. These forward-looking statements are subject to a number of risks and uncertainties, including those identified under "Risk Factors" of our most recent Annual Report on Form 10-K and any amendments. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual industry conditions, and actual conditions and results in our business, could differ materially from those expressed in these forward-looking statements. In addition, none of the events anticipated in the forward-looking statements may actually occur. Any of these different outcomes could cause the price of our common stock to decline substantially. Except as required by law, we undertake no duty to update any forward-looking statement after the date of this report, either to conform any statement to reflect actual results or to reflect the occurrence of unanticipated events.

#### Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments 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 amount of net sales and expenses for each period. The following represents a summary of our critical accounting policies, defined as those policies that we believe are the most important to the portrayal of our financial condition and results of operations and that require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain.

On July 1, 2008 we filed a Form 15 certification and notice of termination of registration under section 12(g) of the securities exchange act of 1934 or suspension of duty to file reports under sections 13 and 15(d) of the securities exchange act of 1934. Our duty to file was suspended based upon rule 12g-4(a)(1)(ii) and Rule 12h-3(b)(1)(ii) since we have less than 500 shareholders of record, we have 180.

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#### We are Changing and Expanding

##### Our Name

We changed our name to Innovative Impact Design, Inc. and are trading under the symbol "IIDG".

##### Expanded Business Operations

We expanded our operations. We have reorganized the company into two divisions. Our Vote Power voting system will be one division, which shall continue to develop its voting system as before and we have expanded our operations by opening an environmental or "Green" division which we believe will greatly add to our financial success, provide long term growth, while at the same time setting an industry standard. We expect the completion of the expanded operations to be completed by the 1st quarter 2009.

##### Recycled Plastic Materials

We estimate that the recycling plastic business is a \$240 billion industry. This is even more evident and imperative due to the large increase in oil prices that has caused a dramatic increase in new plastic materials. The Environmental Protection Agency (EPA) continues to raise recycling goals each year and it is expected that even higher goals will be set in the future. In order to achieve its goals, the EPA is emphasizing the use of recycled materials employed in the construction of private and public structures.



Our operations to sell and produce recycled plastic roofing tiles with a compression molding line are based out of Terre Haute, Indiana. Our roofing division, RPM Roofing & Manufacturing, occupies a 70,000 foot building, with all the equipment for a state of the art manufacturer roofing tiles. We have the capacity to produce up to 7,200 squares per month with their current equipment but has enough plant capacity for 5 times that amount of monthly production.

We employ a proprietary substrate that can be molded into three primary roofing products: simulated slate, simulated cedar shake, barrel tile and flat tile. All of our plastic roofing tile products will be manufactured from recycled plastic material in a process that creates products that we believe are superior to all presently-employed roofing products. We believe that these products are superior for the following reasons:

- o extreme fire and flame resistance;
- o superior impact resistance;
- o high durability;
- o absolute water resistance;
- o aesthetic beauty based upon castings of hand selected virgin products;
- o ease of installation;
- o light-weight, negating extra structural engineering costs;
- o qualify for discounts from major insurance companies; and
- o heat reduction through reflection of up to 75% of the sun's heat, this in turn reduces the need for expensive extra insulation in certain climates and reduces other costs.

No additional structural engineering is necessary for the installation of our plastic roofing tiles and we believe that our roofing materials will not only reduce costs for homeowners but also for contractors as a result of the reduced cost of labor and materials.

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We offer a variety of roofing profiles and colors, including the following:

**SIMULATED SLATE.** Our simulated slate tiles are cast from natural slate and are available in black, charcoal, gray, brown, red and green colors. Our simulated slate tiles are 12 x 18 inches and weigh approximately 1.8 lbs. per tile. We believe that our simulated slate tiles are beautiful and cannot be differentiated from genuine slate tiles except upon close examination.

**SIMULATED CEDAR SHAKE.** Our simulated cedar shake tiles are cast from multiple patterns of genuine cedar shake and are available in pewter, charcoal, brown and weathered gray colors. We believe that we have obtained the natural beauty of real wood with these tiles. The length of this tile is 24 inches and our simulated cedar shake tiles are expected to be available in 5, 7 and 12 inch widths weighing approximately 1.5, 1.8 and 2.0 lbs. per tile, respectively.

**SIMULATED SPANISH TILE.** Our simulated Spanish tiles is the most popular and provides a Mediterranean styling with all the beauty and durability of genuine clay tiles, but with greater ease of installation, and are available in terra cotta, brown and black colors. Our simulated Spanish tiles are 16.5 x 13 inches and weigh approximately 1.8 lbs. per tile.

Each of our simulated tile products are tested to produce a Class A and/or C fire rating. In addition, each of our simulated tile products are tested to produce a Class 3 and 4 impact rating, except for our simulated Spanish tile product, which we plan to have tested to produce a Class 3 impact rating. We expect that the durability and fire resistance ratings of our simulated tile products may reduce insurance premiums for the owners of homes and buildings that utilize these products.

#### Environmental Considerations

We believe that environmental considerations will favorably influence our ability to succeed. We estimate that the recycling business is a \$240 billion industry. The EPA continues to raise recycling goals each year and we expect that even higher goals will be set in the future. In order to achieve its goals, the EPA is emphasizing the use of recycled materials employed in the construction of private and public structures.

Many states, such as California, are restricting or limiting the use of wood roofing tiles due to susceptibility to fire and their contribution to the depletion of natural resources. Recycled plastic roofing tiles can be used in lieu of wood products and are less susceptible to fire.

#### The Roofing Blend

We have developed a new and simpler roofing tile blend. We have coupled this with a more advanced mixing and manufacturing process we developed, through and with the assistance of a number plastic (polymer) engineers. Our new roofing blend uses very common recycled raw materials that are readily available in the market place in plentiful amounts and from numerous different sources. Costs have been reduced for raw material, all previously dangerous powder raw materials have been eliminated and press cycle times have been reduced which has doubled the production lines' current capacity without adding any new presses or additional equipment.

The new blend has now been tested and passed all of the third-party testing required for various certifications.

#### Sales & Research & Development

The gross sales of our roofing tiles for 2007 were only \$189,000 due the need for all new third-party testing and development of a new and simpler roofing tile formula. Every month sales have increased and now that we are in the Summer we want to make a big push to get our product line into the market place and our presence felt.

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On the research and development side of the roofing business, we are testing and preparing to introduce a new low cost roofing alternative produced from recycled plastic that will be competitively priced for the first time with asphalt shingles, the highest selling roofing material in the country. We believe that this would be the first time that a composite plastic (recycled or otherwise) roofing product would be competitive with asphalt roofing shingles. We also intend to continue to improve our current roofing tile products by making them lighter and also intend to introduce a heavy rock slate shingle much like our current slate tile roof but with a thicker looking appearance, this is very popular in the Midwest and Northeast sections of the country.

We believe that our plastic roofing products are a viable alternative to more expensive traditional roofing products. Our plastic roofing products are priced lower than wood shake, slate and clay tiles. Our plastic roofing products are priced competitively with other alternative roofing materials. We believe that our plastic roofing tiles are considerably more durable than wood, slate or barrel tiles made from traditional materials. Our plastic roofing tiles have a life expectancy of approximately 50 years, whereas natural tiles have a life expectancy of approximately 20 years.

We are offering a variety of roofing profiles and colors, including customization options, to satisfy diverse requests. We offer simulated slate in six colors, simulated cedar slate in four colors, simulated Spanish tile in three colors and simulated flat cement thatch in five colors.

We believe that traditional roofing products are generally either attractive or safe, but not both. We believe that our roofing products combine these two desirable characteristics and we aim to position our products with distributors and suppliers, contractors and builders, architects, and end-consumers as high-quality, durable, environmentally-friendly products that add beauty and safety to virtually any structure at a competitive price.

#### Industry Demand

We believe that the demand for plastic roofing materials is increasing faster than the demand for traditional roofing materials. A greater than 50% increase in demand for plastic roofing products is expected by 2010, whereas the entire roofing industry is expected to increase by 20% during the same period. We believe that the demand for plastic roofing products is currently, and will continue to be, bolstered in part by the continued emphasis on the use of recycled materials. The EPA has raised recycling goals and has focused on the construction industry. The EPA's target states with the largest recycling rates

include California, New York, Minnesota, Florida and Texas.

#### Expanded Operations - Plastic Compounding Pellet Line

We also plan to add a Recycled Plastic Compounding Pellet lines that will recycle raw plastic bottles into plastic pellets that have been specifically formulated for various customers and for our roofing tiles. This will cut down on our raw material costs and minimize variable pricing that comes in the market place because of the variability of oil prices that drive the plastic supply market.

The production line is expected to produce 2000 pounds of material an hour and run 20 hours per day in order to keep up with demand. We have secured a number of sources of recyclable materials that will grind up in our plant and then process through the extruder line to produce the plastic pellets for sale and use in our roofing tile blend.

#### Current Marketing

We now have sales representatives covering the east coast from New Jersey down to and including Florida. Midwest sales representatives for Iowa, Illinois, Missouri, Minnesota, Oklahoma, and Wisconsin, as well as Arkansas and Alabama and a west coast representatives for the Pacific Northwest, and Arizona and Nevada.

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#### Sales and Marketing Future Plans

We intend to market our plastic roofing products through and to the following five distinct groups:

IN HOUSE MARKETING GROUP. We are opening a special sales division for sales efforts and support for the all states west of Mississippi River. This will be an intensive drive to open roofing markets that are currently not being supported.

MANUFACTURER'S REPRESENTATIVES. We need to add many more manufacturer's representatives for our product and train them on the value and dependability of our roofing tile line. We intend to seek out the best and brightest sales representatives we can find and offer 8% commissions for all sales, which is 2 to 3 percent higher than our competition but since we have good profit margins we want to attract the best sales people in the roofing field, in order to break into the market.

DISTRIBUTORS AND SUPPLIERS. We believe that distributors and suppliers are an excellent resource to display and feature our plastic roofing products. We believe that distributors and suppliers have key connections within the construction industry and that they can provide numerous sales opportunities for our products. We have already contacted two major distributors in Florida and both have indicated an interest in buying our products when and if they are readied for large-scale production and use. We need to add more.

CONTRACTORS AND BUILDERS. Contractors and builders have the power to exert influence over their clients regarding the type of roof to be chosen. We expect to focus on contractors and builders in the geographic areas where we expect to initially market our products: the South, the West and in Florida. By exposing our products to contractors and builders and increasing demand for our products within this group, we expect to also increase demand for our products with distributors and suppliers. We need more direct sales to them.

ARCHITECTS. We believe that architects represent an excellent potential sales resource. Architects are often able to designate materials used in their structures and, in addition to the core benefits of our plastic roofing products, we hope to interest architects in unusual and modern roofs for commercial and professional buildings. We believe that architects can be marketed to through advertisements in trade-related publications. In marketing to architects, we would expect to direct advertisements and information to the various geographical areas where our sales activity is heaviest or where we are focusing our marketing efforts. We need to advertise more and get our name out as a green building supplier which architects are constantly looking for.

END CONSUMERS. Establishing long-term relationships with homeowners is

an important goal. Most modern residential roofs need replacement within a 20 year period. Targeting homeowners and building owners is important for our future as many homeowners and building owners will be in a position to utilize our products in the future. These are the highest profit margin sales and we are currently selling directly to the end user because we have not established a large enough distributor network to cover the entire country.

We have to initiate direct mail campaigns, print advertising, website communications and memberships in appropriate industry and other related associations such as the Western States Roofing Contractor's Association, the Florida Roofing and Sheet Metal Contractors Association, the National Roofing Contractors Association and others. We anticipate that our print advertising programs will include a product sample affixed to a printed advertisement. We also anticipate that our direct mail campaigns will target select groups, such as distributors and suppliers, contractors and builders, architects and end consumers in an area-by-area launch program. We plan to have the mailing program contain an informational packet, product samples, price lists and advertising reprints of magazines or other advertising that we have circulated. We estimate that we will commence these campaigns within several months following insurance approvals and certification of our plastic roofing products from the International Council of Building Officials.

We need to advertise more in select industry magazines such as Builder Magazine, Roofing Contractor Magazine, Roofing/Siding/Insulation Magazine, Environmental Design and Construction Magazine and Architectural West. We expect that the focus of our advertisements will be the advantages our products offer over traditional roofing products and our competitors' alternative roofing products.

We need to expand our website that is distinct from our existing plastic pallet websites. We include detailed descriptions and features of our line of alternative roofing products, the methods for ordering them and pricing information. We also expect to include methods for obtaining samples of these products and actual photos of roofs of homes and buildings that employ our products.

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#### Vote Power Division

##### Vote Power Opportunity

The Election Reform titled Help America Vote Act (HAVA). The HAVA Act initially provided \$3.86 billion Federal funding for the 50 States to upgrade their election support systems. The bill also banned the use of legacy "Punch Card" voting solutions in future elections. The result of this legislation required all states to investigate new solutions for the voting procedures as HAVA seeks to enhance the accessibility and the integrity of elections.

The United States prides itself on being the strongest democracy in the world. The strength of its democracy is based free and fair election process. The nation depends on a reliable election process.

Vote Power offers a through, reliable, and secure software solution for the future of all elections.

##### Power Challenge

Following the approval of the HAVA Act, the US DES (Department of Election Services) initiated a \$120 million project in conjunction with MIT and CalTech to develop the requirements and standards for the vendors who wish to participate in creating the electronic voting software. These requirements and standards are in addition to the certification requirements mandated by the NASED (National Association of State Election Directors).

Although several of the software vendors are certified by NASED at the present time, none of the newly developed software has proven to be insecure over time and have been very vulnerable to the hacker attacks. To date, there is not a single solution in the market which does not compromise voter information.

Vote Power offers end-to-end voting technology software products - from Voter Registration to the provisional ballots, to the Direct Recording Equipment (DRE), to the printing ballots, through the final tally reports for the election

officials.

- o Vote Power core solution Highlights:
- o based on Oracle 11i database security with - 10 Security Certificate encryption (as confidential as the Pentagon and the White House Classified documents)
- o offers Audit Trail (printed proof)
- o offers Accountability
- o offers Reliability
- o offers consistency
- o offers usability
- o offers scalability
- o offers option to perform a manual count in case of close election results

Vote Power - only vendor with the solution for the American disabled voters

- o Vote Power has great respect and insight into the requirements of the American Disability Act and its beneficiaries.

Vote Power Optional solution features:

- o Support for jury service
- o Support for candidate tracking
- o Support for lobbyist tracking
- o Support for campaign election and donation tracking
- o Document imaging
- o Voter Registration applications
- o Support for DMV database synchronization
- o Support for FBI database synchronization

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Power Associations

Vote Power has been working with the following world class companies to align its solution and the strategies.

- o Hewlett Packard (HP) Company - for the printing solution opportunity
- o Oracle Corporation - for the Voter Registration database and the Electronic voting software

The Oracle Corporation has advertised for many years a million dollar challenge to anyone who could break the security of their products. Vote Power will take advantage of this strength by building its application software on the Oracle product line.

- o MapQuest - for the mapping interface and the voter address confirmation solution

MapQuest has extensive experience with the mapping technology. Vote Power tools will benefit from this experience and apply this leverage to simplify the maintenance of the voting precincts and special districts.

- o CyberThink InfoTech - to assist in all areas of software and database development

Power Consulting Opportunity

The members of Vote Power's current executive team hold strategic positions with the world's largest technology companies such as IBM, Oracle, HP, DEC, Compaq and EDS in the Information Technology departments and the e-voting practices. The team has sizable experience in the electronic voting technology field. Vote Power has established relationships with numerous State and County officials, many of which are looking forward to viewing the Vote Power DRE demo upon completion.

Power Products

1. Voter Registration (PowerReg)

A massive relational database that holds identification and related

information of each voter

2. ABS (Absentee Ballot Solution) (PowerScan)

Helps a voter to vote remotely or as an absentee voter

3. DRE (Direct Recording Equipment Solution) (PowerVote)

The equipment used to cast the ballots at various polling sites. The equipment will also be ADA (American Disabilities Act) compliant, and provide for an optional paper receipt

4. EMS (Election Management System) (PowerManage)

Software that is created to support the administration of the electronic voting tool

5. Election Deployment (PowerCenter)

Managing the Election Day by the minute; a proactive tool for trouble free Election Day

6. Election Reporting (PowerReport)

A tool for collecting and reporting the results to the public/network (Provisional and final tally).

This provides accountability by maintaining a tight audit control.

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## Electronic Voting Market Size

### General Overview

The electronic voting market is large. The electronic industry is in its infancy. Just as in the initial stages of the Internet days when it was practically impossible to quantify the Internet commerce size; currently, the total size of the voting market is unknown. What is known is how much the HAVA Act has budgeted so far to the states.

### Marketing and Sales Strategy

#### Positioning

VotePower creates value by approaching the market with a 'laser-like' focus and concentration on the e-voting market. Fortunately, the executive team not only has industry IT expertise, it also has voting processes' expertise. The dual expertise of both industries has enabled the Vote Power team to tackle the market in a number of unique ways.

#### Hardware Partners

VotePower has strategic partnerships with the leading hardware vendors for its Direct Recording Equipment solution. Touch screen monitors will be used as the vote casting vehicle. Currently, VotePower has identified View Sonic, HP, Sharp, and Team Computers as the top candidates for the hardware solution partners.

#### Potential Software Partners

- o Oracle Corporation
- o MapQuest, Inc.
- o ESRI Corp.
- o CyberThink InfoTech

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## Item 3. Controls and Procedures

In July 2008, we have evaluation our design and operation of our disclosure controls and procedures are effective to ensure that information required to be disclosed by us is accumulated, recorded, processed, summarized

and reported to our management as appropriate to allow timely decisions regarding whether or not disclosure is required.

During the quarter ended September 30, 2008, there were no changes in our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

In Summary

We are confident our both our roofing products and voting divisions are profitable endeavors.

The size of the roofing market is estimated at \$35 billion , composite tiles account for 3.5% of the total market for consumer and business buildings. To capture only 10% of the composite-tile market will account for \$125 million in gross revenues. We are confident we will achieve that.

A part from the huge United States market, the worldwide e-voting market size is estimated to be about \$10 billion. The United States market share is about \$5 billion. Vote Power Projects a minimum revenue based on 10% of available market is \$345 million in gross revenues and \$80 million in net revenues.

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## PART II - OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

None.

### ITEM 2. CHANGES IN SECURITIES

During the third quarter of 2008, we issued 276,296 shares for services to consultants for services rendered in the amount of \$55,859.

The issuances of our securities described above were made in reliance upon the exemption from registration available under Section 4(2) of the Securities Act of 1933, as amended, as transactions not involving a public offering. This exemption was claimed on the basis that these transactions did not involve any public offering and the purchasers in each offering were sophisticated and had sufficient access to the kind of information registration would provide, including our most recent Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q.

#### Dividend Policy

We have never paid cash dividends on our common stock and do not currently intend to pay cash dividends on our common stock in the foreseeable future. We are restricted from paying dividends on our common stock under state law; We currently anticipate that we will retain any earnings for use in the continued development of our business.

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### ITEM 3. Defaults in Securities

None.

### Item 4 - Submission of Matters to a Vote of Security Holders

By majority consent of the shareholders performed a reverse stock split of its common stock at the ratio of 350 to 1. This reverse stock split was effective July 21, 2008. We also changed our company name from Vote Power Corporation to Innovative Impact Design, Inc. Our trading symbol is "IIDG". This completed the capital restructuring of the company. We believe that this restructuring was necessary to put us in the proper position to raise the capital needed for expanding existing programs and being able to qualify for contracts with the various states, counties, cities and municipalities in this country to standardize their voting systems. Further, the shareholders voted to have Mr. Randy Zych and Mr. Drew Pitt on the Board of Directors replacing Mr. Bob Martyn and Mr. Inti Shaikh. New officers were also appointed Randy Zych as

President replacing Mr. Inti Shaikh and Mr. Drew Pitt as the Secretary & Treasurer, and Chief Operating Officer. Additionally, Ms. Edith Lutz has joined the Company as its CEO.

ITEM 5. Other Information

On July 1, 2008 we filed a Form 15 certification and notice of termination of registration under section 12(g) of the securities exchange act of 1934 or suspension of duty to file reports under sections 13 and 15(d) of the securities exchange act of 1934. Our duty to file was suspended based upon rule Rule 12g- 4(a) (1) (ii) and Rule 12h-3(b) (1) (ii) since we have less than 500 shareholders of record, we have 180. We are filing this report and others voluntarily to provide our shareholders, potential investors and other interested parties with as much information about the Company as we can.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

On October 16, 2008 we filed a Current Report on Form 8-K.

SIGNATURE

INNOVATIVE IMPACT DESIGN, INC.

Dated: December 1, 2008

By: /s/ Randy Zych

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President

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