

VERTICAL BRANDING, INC.  
 Form 3  
 November 23, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL  
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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * PEARSON ROBERT C (Last) (First) (Middle)  8080 N. CENTRAL EXPRESSWAY, SUITE 210 (Street)  DALLAS, TX 75206 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 11/13/2007	3. Issuer Name and Ticker or Trading Symbol VERTICAL BRANDING, INC. [VBDG]	4. Relationship of Reporting Person(s) to Issuer  (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below)	5. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person
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**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	1,666,667	I	Shares held by Renaissance Capital Growth & Income Fund III, Inc. ("R3") <sup>(1)</sup>
Common Stock	2,500,000	I	Shares held by Renaissance US Growth Investment Trust PLC ("RUSGIT") <sup>(1)</sup>
Common Stock	1,250,000	I	Shares held by US Special Opportunities Trust PLC ("USSO") <sup>(1)</sup>
Common Stock	1,250,000	I	Shares held by Premier RENN US Emerging Growth Fund Ltd. ("PRENN") <sup>(1)</sup>

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	833,334	\$ 1	I	Shares held by R3 <sup>(1)</sup>
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	833,333	\$ 1.5	I	Shares held by R3 <sup>(1)</sup>
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	1,250,000	\$ 1	I	Shares held by RUSGIT <sup>(1)</sup>
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	1,250,000	\$ 1.5	I	Shares held by RUSGIT <sup>(1)</sup>
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	625,000	\$ 1	I	Shares held by USSO <sup>(1)</sup>
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	625,000	\$ 1.5	I	Shares held by USSO <sup>(1)</sup>
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	625,000	\$ 1	I	Shares held by PRENN <sup>(1)</sup>
Warrant (Right to Buy)	11/13/2007	11/13/2012	Common Stock	625,000	\$ 1.5	I	Shares held by PRENN <sup>(1)</sup>

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PEARSON ROBERT C 8080 N. CENTRAL EXPRESSWAY SUITE 210 DALLAS, TX 75206	Â X	Â	Â	Â
RENAISSANCE CAPITAL GROWTH & INCOME FUND III INC C/O RENN CAPITAL GROUP 8080 N. CENTRAL EXPRESSWAY, SUITE 210 DALLAS, TX 75206	Â	Â X	Â	Â

RENAISSANCE US GROWTH INVESTMENT TRUST PLC  
C/O RENN CAPITAL GROUP  
8080 N. CENTRAL EXPRESSWAY, SUITE 210  
DALLAS, TX 75206

Â Â X Â Â

## Signatures

Robert Pearson 11/23/2007

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Robert Pearson is an executive officer of RENN Capital Group, Inc. which serves as the investment adviser to R3, RUSGIT, USSO and PRENN and may therefore be considered beneficial owner of such shares. Reporting person disclaims such beneficial ownership.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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