

TRANSPORTATION LOGISTICS INTL INC
Form PRE 14A
September 24, 2004

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]
Filed by a Party Other than the Registrant []

Check the appropriate box:

- [X] Preliminary Proxy Materials [] Confidential, For Use of the Commission
 [] Definitive Proxy Statement only (as permitted by Rule 14a-6(e)(2))
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 [] Soliciting Material Under
Rule 14a-12

Transportation Logistics Int'l, Inc.

(Name of Registrant as Specified in its Charter)

(Name of Person Filing Proxy Statement, if Other Than the Registrant)

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(3) Filing Party:

(4) Date Filed:

PROXY

TRANSPORTATION LOGISTICS INT'L, INC.

SOLICITED BY THE BOARD OF DIRECTORS

For use at the November 8, 2004 Special Meeting

The undersigned hereby appoints Michael Margolies and Michael Gilbert as Proxies and each with power of substitution, who shall be present at the meeting to vote all of the shares of the undersigned as follows:

(1) PROPOSAL TO INCREASE THE NUMBER OF AUTHORIZES SHARES OF COMMON STOCK TO 500,000,000.

/ / FOR / / AGAINST / / ABSTAIN

(2) PROPOSAL TO EFFECT A REVERSE SPLIT OF THE OUTSTANDING COMMON STOCK IN A RATIO WITHIN THE RANGE BETWEEN 1-TO-10 AND 1-TO-50, WITH THE RATIO TO BE SELECTED AND IMPLEMENTED BY THE CORPORATION'S BOARD OF DIRECTORS, IN ITS SOLE DISCRETION, IF AT ALL, AT ANY TIME PRIOR TO JUNE 30, 2005.

/ / FOR / / AGAINST / / ABSTAIN

(3) PROPOSAL TO CHANGE THE NAME OF THE CORPORATION TO "GLOBAL CONCEPTS, LTD."

/ / FOR / / AGAINST / / ABSTAIN

and in their discretion upon such other business as may be properly brought before the Special Meeting of Shareholders of TRANSPORTATION LOGISTICS INT'L, INC. to be held at the offices of Transportation Logistics Int'l, Inc., 136 Freeway Drive East, East Orange, New Jersey on November 8, 2004 at 10:00 a.m. local time, and any adjournments thereof. This proxy revokes all prior proxies given by the undersigned.

UNLESS OTHERWISE SPECIFIED, THIS PROXY WILL BE VOTED "FOR" THE PROPOSALS.

Date:_____

Signature:_____

Print Name:_____

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Signature: _____
(if jointly held)

IMPORTANT: Please sign exactly as name appears on your stock certificate. Joint owners should both sign. When signing as executor, trustee, guardian, attorney or officer of a corporation, give title as such. If a partnership, please sign in partnership name.

PLEASE COMPLETE, SIGN, DATE AND MAIL THIS PROXY IN THE ENCLOSED ENVELOPE.

TRANSPORTATION LOGISTICS INT'L, INC.
136 Freeway Drive East
East Orange, NJ 07018

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON NOVEMBER 8, 2004

A Special Meeting of the Shareholders of Transportation Logistics Int'l, Inc. ("Transportation Logistics") will be held on November 8, 2004 at the offices of Transportation Logistics Int'l, Inc., 136 Freeway Drive East, East Orange, New Jersey at 10:00 A.M., local time, for the following purposes:

- (1) To vote upon a proposal to increase to 500,000,000 the number of authorized common shares;
- (2) To vote upon a proposal to effect a reverse split of the outstanding common stock in a ratio within the range between 1-to-10 and 1-to-50, with the ratio to be selected and implemented by the corporation's board of directors, in its sole discretion, if at all, at any time prior to June 30, 2005;
- (3) To vote upon a proposal to change the name of the Corporation to "Global Concepts, Ltd.; and
- (4) To transact such other business as may properly come before the meeting.

Stockholders of record as of the close of business on September 24, 2004 will be entitled to vote at the meeting.

Enclosed is a proxy statement and form of proxy. Shareholders who do not expect to attend the Special Meeting are requested to sign and return the proxy in the enclosed envelope.

By Order of the Board of Directors

MICHAEL MARGOLIES,
Secretary

October 5, 2004

TRANSPORTATION LOGISTICS INT'L, INC.
136 Freeway Drive East
East Orange, NJ 07018

PROXY STATEMENT

This Proxy Statement is furnished to shareholders of TRANSPORTATION LOGISTICS INT'L, INC. ("Transportation Logistics") in connection with the solicitation by the Board of Directors of proxies to be used at a Special Meeting of the Shareholders of Transportation Logistics. This Notice of

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Special Meeting and Proxy Statement, and the accompanying proxy card have been mailed to the shareholders on or after October 5, 2004 for the purpose set forth in the notice of the Special Meeting.

If the enclosed form of proxy is executed and returned, it may nevertheless be revoked at any time up until the time when it is voted by the Proxy Committee. The proxy may be revoked by sending written revocation to the Proxy Committee (c/o Transportation Logistics) or by making a proxy bearing a later date or by appearing and voting at the Special Meeting. The proxy is in ballot form and each shareholder may indicate approval or disapproval as to the proposals identified in the proxy and accompanying Notice of Special Meeting and as set forth and discussed in this Proxy Statement. The proposals will be presented by the Board of Directors of Transportation Logistics. Where a choice is specified with respect to a proposal, the shares represented by the proxy will be voted in accordance with the specification made. Where a choice is not so specified, the shares represented by the proxy will be voted in favor of the proposal. The Proxy Committee appointed by the Board of Directors consists of Michael Margolies and Michael Gilbert.

VOTING SECURITIES OUTSTANDING

Stockholders of record entitled to vote will be determined as of the close of business on September 24, 2004. At that date, there were outstanding and entitled to vote 50,000,000 shares of common stock of Transportation Logistics and 1,000,000 shares of Series B Preferred Stock of Transportation Logistics (constituting the only classes of stock outstanding and entitled to vote at the meeting). Each share of common stock entitles the holder thereof to one vote; each share of Series B Preferred Stock entitles the holder thereof to ten votes. Accordingly, the holders of all of the voting stock may cast a total of 60,000,000 votes at the Shareholders Meeting.

-1-

The following table sets forth the beneficial ownership of outstanding shares of voting stock of Transportation Logistics as of September 24, 2004 by any person who, to the knowledge of Transportation Logistics, owns beneficially more than 5% of either class of the outstanding voting stock, by each Transportation Logistics director, and by the directors and officers of Transportation Logistics as a group. None of the persons identified below owns any securities of Transportation Logistics other than the voting stock listed below. All shares are owned of record and beneficially, except where otherwise noted.

| Name and Address of Beneficial Owner (1) | Amount and Nature of Beneficial Ownership | | Percentage of Voting Power |
|---|--|--------------------|----------------------------------|
| | Common | Series B Preferred | |
| Michael Margolies | 7,497,439 (2) | 1,000,000 | 29.2% |
| Stanley Chason | 0 | 0 | 0% |
| All officers and directors as a group (2 persons) | 7,497,439 (2) | 1,000,000 | 29.2% |
| Kevin Waltzer 14 Larkspur Lane Newtown, PA 18904 | 8,439,000 (3) | 0 | 14.1% |

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- (1) Except as otherwise noted, the address of each of these shareholders is c/o Transportation Logistics Int'l, Inc., 136 Freeway Drive East, East Orange, NJ 07018
- (2) Includes 2,180,850 shares owned by the Margolies Family Trust. The Trustee of the Margolies Family Trust is Mr. Margolies spouse, and the beneficiaries of the Trust are his spouse and children.
- (3) Includes 2,455,000 shares held by Lisa Waltzer, Mr. Waltzer's spouse.

* * * * *

PROPOSAL TO INCREASE THE AUTHORIZED COMMON SHARES
(Item #1 on the Proxy Card)

Proposal. The Board of Directors proposes that the certificate of incorporation of Transportation Logistics be amended to authorize the Board to issue 500,000,000 shares of common stock. This will represent an increase from the 50,000,000 now authorized in the certificate of incorporation of Transportation Logistics.

Reasons for Proposal. Our certificate of incorporation currently authorizes the Board of Directors to issue 50,000,000 common shares. At present, 50,000,000 common shares have been issued and remain outstanding. So the Board has no ability at this time to use common stock for any purpose.

Transportation Logistics has not, to date, entered into any agreement to issue the additional shares. The four primary purposes for which the corporation needs additional authorized common stock are:

- to permit the Board of Directors to negotiate acquisitions in which Transportation Logistics would issue common shares in exchange for the capital stock or assets of the target company;

-2-

- to enable Transportation Logistics to enter into arrangements for the sale of its equity that are needed in order to fund the implementation of its business plan;
- to enable the Board of Directors to recruit experienced management by offering equity incentives; and
- to permit the holders of the Series B Preferred Stock to convert into common shares when they so desire. The outstanding Series B Preferred Stock is convertible into 10,000,000 common shares.

If the Proposal is approved and the certificate of incorporation is so amended, the Board of Directors will be authorized to issue the additional 450,000,000 common shares without having to obtain the approval of Transportation Logistics' shareholders. Colorado law requires that the Board use its reasonable business judgment to assure that Transportation Logistics obtains "fair value" when it issues shares. Nevertheless, the issuance of the additional shares would dilute the proportionate interest of current shareholders in Transportation Logistics. The issuance of the additional shares could also result in the dilution of the value of shares now outstanding, if the terms on which the shares were issued were less favorable than the contemporaneous market value of Transportation Logistics common stock.

The increase in the authorized common stock is not being done for the purpose of impeding any attempt by any person to acquire control of

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Transportation Logistics. Nevertheless, the power of the Board of Directors to provide for the issuance of shares without shareholder approval has potential utility as a device to discourage or impede a takeover of Transportation Logistics. In the event that a non-negotiated takeover were attempted, the private placement of stock into "friendly" hands, for example, could make Transportation Logistics unattractive to the party seeking control of Transportation Logistics. This would have a detrimental effect on the interests of any stockholder who wanted to tender his or her shares to the party seeking control or who would favor a change in control.

FOR THE REASONS INDICATED, THE BOARD RECOMMENDS THAT YOU VOTE "FOR" APPROVAL OF THE INCREASE IN AUTHORIZED COMMON STOCK.

-3-

* * * * *

PROPOSAL TO AUTHORIZE THE BOARD OF DIRECTORS TO IMPLEMENT A REVERSE SPLIT OF THE COMMON STOCK (Item #2 on the Proxy Card)

Proposal. The Board of Directors proposes that the Shareholders approve an amendment to the certificate of incorporation to effect a consolidation ("reverse split") of the corporation's common stock. If the resolution is approved, the Board of Directors will have the authority, in its sole discretion, to select the exact consolidation ratio, provided that the ratio may be no smaller than one post-reverse-split share for every fifty pre-reverse-split shares. Approval of the resolution would give the Board of Directors authority to implement the reverse stock split at any time prior to June 30, 2005. No fractional shares or scrip will be issued if the reverse split is implemented. Rather, shareholders who would otherwise be entitled to a fractional share as a result of the Reverse Split will receive cash based on the market price of Transportation Logistics common stock on the date the Board of Directors implements the reverse stock split.

Reasons for Proposal. Transportation Logistics intends to seek additional financing to fund its plan for continued growth. The Board of Directors has reviewed various alternatives for additional financing and has come to the conclusion that an increase in the market price of the common stock may enhance the marketability of the common stock and so improve Transportation Logistics' prospects for obtaining additional financing. It is hoped that a reverse stock split will increase the per share market price of the common stock.

Recently, the market price for Transportation Logistics' common stock has been only pennies per share. Many brokerage firms are reluctant to recommend lower-priced stocks to their clients. The policies and practices of some brokerage houses tend to discourage individual brokers within those firms from dealing in lower priced stocks. Additionally, the brokerage commission on the purchase or sale of stock with a relatively low per share price generally tends to represent a higher percentage of the sales price than the brokerage commission charged on a stock with a relatively high per share price. The Board of Directors believes that these issues are best addressed by an increase in the inherent value per share of common stock that will occur as a result of a reverse split.

The Board of Directors believes that shareholder approval of a range of potential consolidation ratios (rather than a single consolidation ratio) provides the Board of Directors with maximum flexibility to achieve the desired results of the share consolidation. If the special resolution is approved, the consolidation will be implemented, if at all, only upon a determination by the Board of Directors that the consolidation is in the best

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interests of Transportation Logistics and its shareholders at that time. In connection with any determination to implement a consolidation, the Board of Directors will set the timing for such a consolidation and select the specific ratio from within the range of ratios set forth in the resolution. The Board of Directors' selection of the specific ratio will be based primarily on the price level of Transportation Logistics common shares at that time and the expected stability of that price level.

No further action on the part of shareholders will be required in order for the Board of Directors to implement the consolidation. If the Board of Directors does not implement the consolidation before June 30, 2005, the authority granted by the resolution to implement the consolidation on these terms will lapse and be of no further force or effect. The resolution will also authorize the Board of Directors to elect not to proceed with, and abandon, the reverse split at any time if it determines, in its sole discretion, to do so. The Board of Directors would exercise this right if it determined that the consolidation was no longer in the best interests of Transportation Logistics and its shareholders. No further approval or action by or prior notice to shareholders will be required in order for the Board of Directors to abandon the consolidation.

-4-

Effect of the Increase in Authorized Common Stock and Reverse Stock Split on Capital Stock

The tables below show the cumulative effect on Transportation Logistics' capital stock at September 24, 2004 of the "recapitalization" that will be considered at the Shareholders Meeting, namely: (a) the proposed increase in the authorized common stock and (b) the proposed reverse stock split. The effects of two possible consolidation ratios, within the range contained in the proposal, are presented.

The column labeled "After Conversion" reflects the effect of a conversion of the outstanding Series A Preferred Stock, which is the only capital stock convertible into the common shares. The columns labeled "After Recapitalization" and "After Conversion" do not reflect any adjustments that may result from the repurchase of fractional shares. We cannot calculate at this time the number of fractional shares that will result from a reverse stock split.

Assuming a consolidation ratio of one-for-ten

| | Prior to Recapitalization | After Recapitalization | After Conversion |
|----------------------------|------------------------------|---------------------------|---------------------|
| Common Stock: | | | |
| authorized..... | 50,000,000 | 500,000,000 | 500,000,000 |
| issued and outstanding,,, | 50,000,000 | 5,000,000 | 6,000,000 |
| Preferred Stock: | | | |
| authorized | 5,000,000 | 5,000,000 | 4,000,000 |
| issued and outstanding.... | 1,000,000 | 1,000,000 | 0 |

Assuming a consolidation ratio of one-for-fifty

| | Prior to Recapitalization | After Recapitalization | After Conversion |
|---------------|------------------------------|---------------------------|---------------------|
| Common Stock: | | | |

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| | | | |
|--------------------------|------------|-------------|-------------|
| authorized..... | 50,000,000 | 500,000,000 | 500,000,000 |
| issued and outstanding.. | 50,000,000 | 1,000,000 | 1,200,000 |
| Preferred Stock: | | | |
| authorized..... | 5,000,000 | 5,000,000 | 4,000,000 |
| issued and outstanding | 1,000,000 | 1,000,000 | 0 |

-5-

Exchange of Stock Certificates and Liquidation of Fractional Shares

If the shareholders give the Board of Directors authority to implement a reverse stock split, and the Board exercises that authority, the reverse stock split will be implemented by the filing of a certificate of amendment to the corporation's Articles of Incorporation. Upon the effective date of the filing, the outstanding certificates representing shares of Transportation Logistics common stock will be automatically converted into certificates representing shares of Transportation Logistics common stock, reduced in number by the consolidation ratio. It will not be necessary for shareholders to exchange their Transportation Logistics certificates for Transportation Logistics certificates at that time.

If, however, a shareholder wishes to acquire a certificate reflecting the effect of the reverse split, he may do so after the effective date of the reverse split by surrendering his Transportation Logistics certificate to the corporation's transfer agent with a request for a replacement certificate and the appropriate stock transfer fee. The transfer agent for Transportation Logistics is:

American Registrar & Transfer Company
 342 East 900 South
 Salt Lake City, UT 84111
 Telephone: (801) 363-9065
 Fax: (801) 363-9066

For the Reasons Indicated, the Board Recommends That You Vote "For" Approval of the Authorization of a Reverse Stock Split.

* * * * *

PROPOSAL TO CHANGE THE NAME OF THE CORPORATION
 (Item #3 on the Proxy Card)

Proposal. The Board of Directors proposes to change the name of the corporation from "Transportation Logistics Int'l, Inc." to "Global Concepts, Ltd."

Reasons for the Proposal. The Board is proposing the name change because the new name better represents the corporation's business. In 2003 the corporation liquidated the last of its several subsidiaries that had been engaged in the business of transportation. Since then, management has been looking for new enterprises for the corporation. On June 1, 2004 the corporation acquired ownership of Advanced Medical Diagnostics, LLC, a company that manufactures and distributes an HIV home diagnostics kit. Subsequently, management became involved in negotiations aimed at the acquisition of a European company involved in the warehousing and fulfillment industry. Management intends to pursue other business opportunities in a variety of fields and locations. For that reason, the Board is proposing that the corporation's name be changed to one that reflects the current business plan of the corporation.

-6-

If the Proposal is approved and the corporation's name is changed, certificates for the corporation's common stock that recite the name "Transportation Logistics Int'l, Inc." will continue to represent shares in the corporation. If, however, a shareholder wishes to acquire a certificate reciting the name "Global Concepts, Ltd." after the name change becomes effective, he may do so by surrendering his certificate to the corporation's transfer agent with a request for a replacement certificate and the appropriate stock transfer fee. The name and address of Transportation Logistics' transfer agent can be found on the preceding page of this proxy statement.

FOR THE REASONS INDICATED, THE BOARD RECOMMENDS THAT YOU VOTE "FOR" APPROVAL OF THE CHANGE IN THE CORPORATION'S NAME.

OTHER MATTERS

Vote Required to Approve the Proposals

The affirmative vote of the majority of the shares of common stock outstanding on the Record Date will be required for approval of each Proposal. Abstentions will have the same effect as negative votes since the percentage requirement for approval is based on all outstanding shares and not only on those shares casting votes. Broker non-votes, if any, will not be counted and will have no effect on the vote.

Dissenters Rights

Under Colorado law, shareholders are not entitled to dissenters' rights with respect to any of the transactions described in this Proxy Statement.

Transaction of Other Business.

As of the date of this Proxy Statement, Management has no knowledge of any business which will be presented for consideration at the meeting other than that described above. Should any other matter come before the meeting, it is the intention of the Proxy Committee to vote such proxy in accordance with their best judgment.

Shareholder Proposals.

In order for shareholder proposals intended to be presented at the next meeting of Shareholders to be eligible for inclusion in the corporation's proxy statement and the form of proxy for such meeting, they must be received by the corporation at its principal executive offices a reasonable time before the corporation prints its proxy materials for the meeting. In addition, if the corporation does not receive notice of a shareholder proposal within a reasonable time before the corporation mails its proxy materials to the shareholders, then the proxies solicited by the Board of Directors may confer on the proxy committee discretionary authority to vote on the shareholder proposal. The Board of Directors has not determined when there will be another meeting of the shareholders.

-7-

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Solicitation of Proxies

The entire expense of preparing, assembling and mailing this proxy statement, the form of proxy and other material used in the solicitation of proxies will be paid by Transportation Logistics. In addition to the solicitation of proxies by mail, arrangements may be made with brokerage houses and other custodians, nominees and fiduciaries to send proxy material to their principals, and Transportation Logistics will reimburse them for expenses in so doing. To the extent necessary in order to insure that sufficient votes are cast, officers and agents of Transportation Logistics, who will not be additionally compensated therefor, may request the return of proxies personally. The extent to which this will be necessary depends on how promptly proxies are received, and shareholders are urged to send their proxies without delay.

By Order of the Board of Directors

MICHAEL MARGOLIES
Chairman of the Board

Dated: East Orange, New Jersey
October 5, 2004