

Fohboh Launches First Restaurant Industry Social Network And Business Exchange

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FohBoh announced today the launch of their first-to-market, vertical social network (www.fohboh.com) for the global restaurant, food and beverage industry.

Fohboh (short for 'front of the house, back of the house') focuses on creating the ideal social-business environment for the \$500 billion U.S. market that employs over 13 million people. But it's also global. FohBoh is the hot spot for waiters, hosts, bussers, servers, bartenders, cooks, chefs, wine makers, managers, executives, developers, entrepreneurs, vendors, suppliers, architects, designers, bakers, distributors, franchisees, manufacturers, and growers-anyone interested in exchanging ideas, learning, hiring, finding new opportunities, socializing and doing business within the industry. Because food is such an integral part of our lives and since we come into contact with it at least three times daily-it's clearly an important area of interest and a frequent topic of conversation.

'There's not been a major online social gathering spot for folks in our industry until now,' says Michael Atkinson, CEO and co-founder. 'MySpace and Facebook are clear leaders in generic social networking today and have educated the market, but they are entirely horizontal, so they cannot cater well to niches of specific interest. This is where FohBoh excels.' Restaurants, casinos, bakeries, wineries, breweries, lounges, bars, hotels, resorts, caterers, concessioners and cruise lines can come to promote their businesses, hire, discuss industry issues and more. 'A restaurateur in Australia might give someone in Chicago a terrific idea on how to better promote their restaurant, for example.'

FohBoh is free to join and is looking to grow rapidly. To further incentivize members to join, refer others and participate, the company plans to commence its new Rewards Program on January 1, 2008. Members will be able to earn points for almost any of their activity on the network. Even more compelling, the company plans to offer 4% of its stock (1 million shares) to members as the first redemption option for points.

Members will earn points for joining, completing a profile, referring others to join, contributing and more. Every 1000 points earned can be redeemed for one share of shadow stock. One billion points are up for grabs. A new member receives 100 points just by joining. Write a blog post and get 50 points, and so on. 'This is our way of giving back to our membership right from the start. People know that social networking companies are starting to reap big rewards, and we think our membership should share in the wealth they help create,' said Ted Cohn, the company's President, CTO and co-founder. FohBoh's Rewards Program offers the first 50,000 members even more. 'Our first 50,000 members automatically qualify for permanent membership in FohBoh's 50k Club. These members earn 500 points when they join and 1,000 points every time they refer a new member that joins FohBoh.'

In addition, all members receive trailer (network) points from their participating referrals. When a referral member earns points, the person who invited them receives 10% of those points. 'Our marketing initiative is to foster a competitive and fun environment where contribution and participation is rewarded in addition to personal rewards,' said Angela DiMauro, Sales Manager at FohBoh. 'We believe this strategy should foster a more active community and superior content.'

The company's unique stock program is a shadow stock (mirror or phantom stock) offering. It is a legitimate deferred compensation plan where members that own shares will benefit from a cash dividend at some point in the future if and when the company is sold or recapitalized. No actual shares will be exchanged or given away. This method is often used to motivate and retain key employees without sharing ownership in a company. Such plans can yield some of the same payoffs as equity grants or stock options. By using shadow stock, it's possible to pass on the same financial rewards to executives (members in FohBoh's case) without incurring any of the risks or complications that might accompany the sharing of equity.

Here's how it works: FohBoh will give members 1 share of shadow stock for every 1,000 points they earn and redeem. The shadow stock is not equity but is tied to the value of the company's stock. FohBoh plans to schedule a company valuation at a future date, or may spell out a formula that will determine the stock's value. If, for example, the valuation or the valuation formula shows that FohBoh's share price is \$10 on a future financing, the company will send members a check worth \$10 per share of shadow stock redeemed. At tax time the member pays taxes on ordinary income received by the program and FohBoh gets a tax deduction equal to that amount. Based on current valuations for online social networks, it could be worth more. Members are encouraged to visit FohBoh to see details of its new Rewards Program.

About the Company

FohBoh (www.fohboh.com) is a newly launched online social network and business exchange exclusively for the restaurant industry. Its members include employees, vendors, suppliers and service providers that work in or support the global restaurant, hotel, casino and resort industries.

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