

JAMBA, INC.
Form PRE 14A
March 15, 2010

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-12

Jamba, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- 1) Amount Previously Paid:

- 2) Form, Schedule or Registration Statement No.:

- 3) Filing Party:

4) Date Filed:

April [], 2010

Dear Stockholders,

At the start of 2009, we said that turnaround and transformation of the company would be our mission and we put a turnaround plan in place comprised of three key areas of focus. Financial turnaround to keep the organization stable and to establish realistic objectives for 2009 and beyond, strategic turnaround to create a sustainable business model that would provide vision and direction for our efforts, and a functional excellence program to build capabilities that would allow us to execute with excellence and over time help us to become a best-in-class operator. To guide these efforts, we established our BLEND plan, the company's strategic blueprint for success. We knew that the turnaround of the company would be a multi-year undertaking, but that it would be critical to make substantial progress in our first year. I can report at the close of 2009, that we did make excellent progress on all of our commitments.

Financially, the objectives we set out to achieve were met or exceeded. We eliminated our long-term debt and our focus on financial discipline and cost management resulted in improvement of many of our key financial metrics. We began a strategic expansion of the business model to move the company from a made-to-order smoothie company to a healthy, active lifestyle brand with a broad menu of food and beverages, with a stream of licensed consumer products, with a commitment to franchising that will accelerate our growth, and with a push into non-traditional sites, such as airports and universities, that will add both new customers and new geography. And functionally, we had success in such key areas as marketing, where we launched our largest and most positive effort ever this fall, our Feel Good campaign, in product development, where we launched one of our most successful new products, hot oatmeal, which added both food and a new day part, and in operations, where we introduced new scheduling, new technology and a renewed focus on customer service excellence.

In 2010, we expect to post additional gains in our cost savings efforts as we continue to refine our business model to further reduce expenses. The financial discipline and management that we demonstrated in 2009 will continue throughout 2010 as we remain focused on improving our performance. We will focus on reinforcing our messaging as a leading health and wellness brand through the expansion of our food and beverage offerings across all day-parts and on delivering relevant and targeted promotional activities to drive traffic, trial, awareness, and loyalty among both existing and new customers. We will also continue to seek opportunities to extend the Jamba brand and maximize revenue by leveraging the brand in new and complementary consumer packaged product categories. We expect to complete our refranchising initiative, open new franchised stores, and enter an international market in 2010.

Overall, I am very pleased with our accomplishments in 2009. We have implemented a series of cost saving and expense reduction initiatives aimed at stabilizing Jamba's financial position, we have implemented a new strategy that will help to transform Jamba and create a sustainable business model for advantaged growth, and we have laid the foundation in functional excellence from which we intend develop a world class organization. With the groundwork complete in 2009, I'm confident we will deliver significantly improved performance in 2010.

We appreciate your continued support of our Company and hope you share in our excitement about the future of Jamba Juice.

Sincerely,

James D. White

President and Chief Executive Officer

April [], 2009

TO THE STOCKHOLDERS OF

JAMBA, INC.:

You are cordially invited to attend the 2010 Annual Meeting of Stockholders of Jamba, Inc. (the Company) on May 20, 2010, at 8:00 a.m. local time, which will be held at the Company s principal offices, located at 6475 Christie Avenue, Suite 150, Emeryville, CA 94608.

Details of business to be conducted at the Annual Meeting are described in the Notice of Annual Meeting of Stockholders and Proxy Statement. At the Annual Meeting, the Company will present a report on its operations during the past year and respond to questions from stockholders. Accompanying this Proxy Statement is the Company s 2009 Annual Report to Stockholders.

The Company is pleased to take advantage of Securities and Exchange Commission rules that allow companies to furnish proxy materials to stockholders over the Internet. We believe that these rules allow us to provide our stockholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of the Annual Meeting. On or about April [], 2010, you were provided with a Notice of Internet Availability of Proxy Materials (Notice) and provided access to our proxy materials over the Internet. The Notice also provides instructions on how to vote online or by telephone and includes instructions on how to receive a paper copy of the proxy materials by mail.

We hope that you will attend the Annual Meeting. Whether or not you plan to attend, you can ensure that your shares are represented at the meeting by promptly voting and submitting your proxy by telephone, by Internet or, if you have received a paper copy of your proxy materials by mail, by completing, signing, dating and returning your proxy card in the envelope provided.

Sincerely yours,

JAMES D. WHITE

President and Chief Executive Officer

YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend the Annual Meeting of Stockholders, we urge you to vote and submit your proxy by telephone, the Internet or by mail in order to ensure the presence of a quorum. If you attend the meeting and do not hold your shares through an account with a brokerage firm, bank or other nominee, you will have the right to revoke the proxy and vote your shares in person. If you hold your shares through an account with a brokerage firm, bank or other nominee, please follow the instructions you receive from them to vote your shares and revoke your vote, if necessary.

JAMBA, INC.

6475 Christie Avenue, Suite 150

Emeryville, California 94608

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 20, 2010

Dear Stockholder:

You are invited to attend the 2010 Annual Meeting of Stockholders of Jamba, Inc., a Delaware corporation (the "Company") (the "Annual Meeting"), which will be held at the Company's principal offices located at 6475 Christie Avenue, Suite 150, Emeryville, CA 94608 on May 20, 2010, at 8:00 a.m. local time, for the following purposes:

1. To elect our four nominees as directors to serve until the next Annual Meeting and until their successors have been elected and qualified.
2. To ratify the selection of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending December 28, 2010.
3. To approve our 2006 Employee, Director and Consultant Stock Plan, as amended, to change the authorized aggregate number of shares issuable under the plan from 5,000,000 to 8,000,000 and to make certain other changes as described herein.
4. To approve the adoption of our 2010 Employee Stock Purchase Plan and to authorize an aggregate of 3,000,000 shares issuable under the plan.
5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Stockholders of record at the close of business on March 25, 2010 are entitled to notice of, and to vote at, the meeting and any adjournment or postponement thereof. For ten days prior to the meeting, a complete list of stockholders entitled to vote at the meeting will be available for examination by any stockholder, for any purpose relating to the meeting, during ordinary business hours at our principal offices located at 6475 Christie Avenue, Suite 150, Emeryville, CA 94608.

By Order of the Board of Directors,

MICHAEL W. FOX

Secretary

Emeryville, California

April [], 2009

IMPORTANT: Please vote and submit your proxy by telephone, the Internet or, if you have received a paper copy of the proxy materials by mail, by completing and promptly mailing your proxy card in the postage-paid envelope provided to assure that your shares are represented at the meeting.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 20, 2010

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This Proxy Statement relating to the 2010 Annual Meeting of Stockholders and the Annual Report to Stockholders for the year ended December 29, 2009 are available at www.proxyvote.com.

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

The accompanying proxy is solicited by the Board of Directors of Jamba, Inc., a Delaware corporation (Jamba, Company, we, us, and our), use at its 2010 Annual Meeting of Stockholders to be held on May 20, 2010, or any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. This proxy statement and the enclosed proxy are being made available to stockholders on or about April [], 2010.

SOLICITATION AND VOTING

Voting Securities. Only stockholders of record as of the close of business on March 25, 2010 (the Record Date) will be entitled to vote at the meeting and any postponement or adjournment thereof. As of the Record Date, there were [] shares of common stock of the Company (the Common Stock) outstanding, all of which are entitled to vote with respect to all matters to be acted upon at the Annual Meeting. As of the Record Date, there were [] shares of Series B-1 Preferred Stock (the Series B-1 Preferred) outstanding and [] shares of Series B-2 Preferred Stock (the Series B-2 Preferred) outstanding. By virtue of their ownership, and as permitted under our Certificate of Designation, Preferences and Rights of Series B-1 Convertible Preferred Stock and Series B-2 Convertible Preferred Stock (the Certificate of Designation), the holders of Series B-1 Preferred are entitled to elect, voting as a separate class, two directors to our Board (the Series B-1 Directors) and the holders of Series B-2 Preferred are entitled to elect, voting as a separate class, one director to our Board (the Series B-2 Director). The holders of our Series B-1 Preferred have indicated their intent to re-elect Andrew R. Heyer and Beth Bronner as the Series B-1 Directors. The holders of our Series B-2 Preferred have indicated their intent to re-elect Michael Serruya as the Series B-2 Director. The holders of the Series B-1 Preferred and Series B-2 Preferred are entitled to vote together with the holders of our common stock on all other matters submitted to a vote.

Each stockholder of record as of the Record Date is entitled to one vote for each share of Common Stock held by him or her, 100 votes for each share of Series B-1 Preferred Stock held by him or her, or 100 votes for each share of Series B-2 Preferred held by him or her. Our Bylaws provide that the holders of a majority of the capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the Amended and Restated Certificate of Incorporation of the Company, as amended to date (the Restated Certificate). Our current Restated Certificate does not have any other requirements for a quorum of the stockholders. Votes for and against, abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum.

Broker Non-Votes. A broker non-vote occurs when a broker submits a proxy card with respect to shares held in a fiduciary capacity (typically referred to as being held in street name) but declines to vote on a particular matter because the broker has not received voting instructions from the beneficial owner. Under the rules that govern brokers who are voting with respect to shares held in street name, brokers have the discretion to vote such shares on routine matters, but not on non-routine matters. Routine matters include the ratification of selection of auditors. Non-routine matters include the election of directors and amendments to or adoptions of stock plans.

Solicitation of Proxies. We will bear the cost of soliciting proxies. In addition to soliciting stockholders by mail through our employees, we will request banks, brokers and other custodians, nominees and fiduciaries to solicit customers for whom they hold our stock and will reimburse them for their reasonable, out-of-pocket costs. We may use the services of our employees, officers, directors and others to solicit proxies, personally or by telephone, without additional compensation.

Voting of Proxies. Stockholders whose shares are registered in their own names may vote (1) by returning a proxy card, (2) via the Internet at www.proxyvote.com, or (3) by telephone at 1-800-690-6903. Specific instructions to be followed by any registered stockholder interested in voting via the Internet or by telephone are set forth in the notice by mail described below or, if you receive a paper copy of the proxy materials, on the proxy card provided.

Notice and Access Model. The SEC has adopted amendments to the proxy rules that change how companies must provide proxy materials. These new rules are often referred to as notice and access. Under the notice and access model, a company may select either of the following options for making proxy materials available to stockholders: (i) the full set delivery option; or (ii) the notice only option. A company may use a single method for all its stockholders, or use full set delivery for some while adopting the notice only option for others. We must comply with these new rules in connection with our 2010 Annual Meeting.

Under the full set delivery option a company delivers all proxy materials to its stockholders as it would have done prior to the change in the rules. This can be by mail or, if a stockholder has previously agreed, electronically. In addition to delivering proxy materials to stockholders, the company must now post all proxy materials on a publicly-accessible web site (other than the SEC's web site) and provide information to stockholders about how to access that web site and the hosted materials.

Under the notice only option, a company must post all of its proxy materials on a publicly accessible web site. However, instead of delivering its proxy materials to stockholders, the company instead delivers a Notice of Internet Availability of Proxy Materials which outlines (i) information regarding the date and time of the meeting of stockholders as well as the items to be considered at the meeting; (ii) information regarding the web site where the proxy materials are posted; and (iii) various means by which a stockholder can request paper or email copies of the proxy materials. In connection with our 2010 Annual Meeting, we have elected to use the notice only option. Accordingly, you should have received a notice by mail instructing you how to access proxy materials at <http://www.proxyvote.com> and providing you with a control number you can use to vote your shares. The stockholder may request that the Company delivery paper copies of the proxy materials as well.

All valid proxies received before the meeting will be exercised. All shares represented by a proxy will be voted, and where a proxy specifies a stockholder's choice with respect to any matter to be acted upon, the shares will be voted in accordance with that specification. If no choice is indicated on the proxy, the shares will be voted in favor of the proposal. A stockholder whose shares are registered in their own name has the power to revoke his or her proxy at any time before it is exercised by delivering to the Secretary of the Company a written instrument revoking the proxy or a duly executed proxy with a later date, or by attending the meeting and voting in person. If you hold shares in street name, through a bank, broker or other nominee, please contact the bank, broker or other nominee to revoke your proxy.

Annual Meeting Attendance

You are entitled to attend the Annual Meeting only if you were a Company stockholder as of the Record Date or you hold a valid proxy for the Annual Meeting. Since seating is limited, admission to the meeting will be on a first-come first-served basis. You should be prepared to present photo identification for admittance. If you are not a stockholder of record but hold shares as a beneficial owner through a broker, bank, trustee or nominee (i.e., in street name), you should provide proof of beneficial ownership as of the Record Date, such as your most recent account statement prior to the Record Date, a copy of the voting instruction card provided by your broker, bank, trustee or nominee, or other similar evidence of ownership. In addition, the Notice will serve as proof of stock ownership as of the Record Date.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

In accordance with the Company's bylaws (the Bylaws), the board of directors of the Company (hereinafter referred to as the Board or the Board of Directors) has currently set the size of the Board at eleven members and there are currently ten members serving, with one vacancy. The terms of the current directors expire upon the election and qualification of the directors to be elected at the 2010 Annual Meeting. The Board has nominated four of our current directors for re-election at the 2010 Annual Meeting to serve until the 2011 Annual Meeting of Stockholders and until their successors are duly elected and qualified. Steven R. Berrard, Thomas C. Byrne and Ramon Martin-Busutil have not been nominated for re-election but will continue to serve through the end of their current terms. The holders of our Series B-1 Preferred, voting as a separate class, will elect two additional directors and the holders of our Series B-2 Preferred, voting as a separate class, will elect one additional director. Upon the expiration of the terms of the current directors, the size of the Board will be reduced to seven. Set forth below is information regarding the nominees to the Board for election as a director.

Each nominee has agreed to be named in this proxy statement and to serve if elected. If any of the nominees declines to serve or becomes unavailable for any reason, or if a vacancy occurs before the election (although we know of no reason to anticipate such an occurrence), the proxies may be voted for such substitute nominee(s) as we may designate.

If a quorum is present and voting, each of the four nominees receiving a higher number of votes cast for such nominee than against such nominee will be elected. Proxies cannot be voted for more than four nominees. Abstentions, broker non-votes and withheld votes will have no effect on the outcome of the vote. Under our Bylaws, if an incumbent director standing for re-election is not re-elected, the director shall tender his or her resignation to the Board. The Nominating and Corporate Governance Committee will make a recommendation to the Board on whether to accept or reject such director's resignation. The Board will act on the Nominating and Corporate Governance Committee's recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date of the certification of the election results. The Nominating and Corporate Governance Committee in making its recommendation, and the Board in making its ultimate decision, may each consider any factors or other information that they consider appropriate and relevant. The director who tenders his or her resignation will not participate in the recommendation of the Nominating and Corporate Governance Committee or the Board's decision with respect to his or her resignation.

If a director's resignation is accepted by the Board, then the Board may fill the resulting vacancy or may decrease the size of the Board as permitted by our Bylaws.

The four nominees to the Board to serve until the next Annual Meeting and until their successors have been duly elected and qualified are as follows:

Name	Age	Director Since
James D. White	49	2008
Lesley H. Howe	65	2007
Richard L. Federico	55	2006
Brian Swette	56	2006

As permitted under our Certificate of Designation, the holders of our Series B-1 Preferred Stock have indicated their intent to re-elect Andrew R. Heyer and Beth Bronner as the Series B-1 Directors and the holders of our Series B-2 Preferred Stock have indicated their intent to re-elect Michael Serruya as the Series B-2 Director, in each case to serve on the Board until the next Annual Meeting and until their successors have been duly elected and qualified. Their respective ages and dates of prior service on the Board are as follows:

Name	Age	Director Since
Beth Bronner	59	2009
Andrew R. Heyer	52	2009
Michael Serruya	45	2009

The principal occupations and qualifications of each of the four nominees for director and the directors elected by the holders of our Series B-1 Preferred Stock and our Series B-2 Preferred Stock are as follows. There are no family relationships among any of our directors or executive officers.

JAMES D. WHITE has served as a member of our Board of Directors and our President and Chief Executive Officer since December 2008. Previously, Mr. White was Senior Vice President of Consumer Brands for Safeway, Inc. with responsibility for brand strategy, innovation, manufacturing and commercial sales from 2005 to 2008. Prior to Safeway, Mr. White was Senior Vice President of Business Development, North America at the Gillette Company, where his responsibilities included centralized marketing, sales, retail execution, marketing planning and Canadian operations from 2002 to 2005. Mr. White also held executive and management roles with Nestlé Purina from 1987 to 2005, including Vice President, Customer Interface Group from 1999 to 2002, and Vice President, Customer Development East from 1997 to 1999.

Mr. White has been appointed Chairman of the Board effective upon his re-election to the Board at the Annual Meeting. Mr. White's position as our President and Chief Executive Officer and his extensive consumer products and senior management experience make him particularly qualified for service on our Board.

LESLEY H. HOWE has been a member of our Board of Directors since December 2007. Mr. Howe has over 40 years of financial and management experience, spending more than 30 years with the international accounting firm of KPMG LLP, where he was a senior partner and from 1994-1997 served as Area Managing Partner for the Los Angeles office. He served as CEO of Consumer Networks LLC, a San Diego-based internet marketing and promotions company from 2001 until its sale in 2007. Mr. Howe is a member of the board of directors of P.F. Chang's China Bistro Inc., NuVasive, Inc., Volcano Corporation and a privately held corporation.

Mr. Howe has been appointed Lead Director effective upon his re-election to the Board at the Annual Meeting. The Lead Director will chair executive sessions of Jamba's independent directors and has the authority to call such sessions. The Lead Director will also participate in the preparation of agendas and schedules for meetings of the Board, coordinate with the Chairman regarding the flow of information to the directors, serve as a liaison between the independent directors and management, and chair meetings of the Board in the Chairman's absence. Mr. Howe's extensive experience in public accounting and his financial expertise make him particularly qualified for service on our Board and Audit Committee of the Board.

RICHARD L. FEDERICO has been a member of our Board of Directors since November 2006. Mr. Federico had previously served as a director of Jamba Juice Company from October 2004 to November 2006. Since September 1997, Mr. Federico has been the Chief Executive Officer of P.F. Chang's China Bistro Inc. and a Director of P.F. Chang's China Bistro Inc. since February 1996. In December 2000, Mr. Federico was named Chairman of the Board of P.F. Chang's China Bistro Inc. From February 1989 to January 1996, Mr. Federico served as President of the Italian Concepts division of Brinker International, Inc., where he was responsible for concept development and operations. Mr. Federico's business acumen and experience in leading a successful publicly-held restaurant concept makes him particularly qualified for service on our Board, our Nominating and Corporate Governance Committee and our Audit Committee of the Board.

BRIAN SWETTE has been a member of our Board of Directors since November 2006. Mr. Swette has served as a board member of Burger King Corporation since 2002. He is also an investor and board member in Madison Road Entertainment, CBL Partners, FRS Company, Care.com and Shutterfly. Mr. Swette served in several capacities at eBay from 1998 through the end of 2002, including Chief Operating Officer and Vice President of Marketing. He led eBay's penetration into international markets, oversaw the development of its marketing, managed the implementation of its fixed-price strategy and chartered a course into new business categories such as automotive and business-to-business. Prior to eBay, Mr. Swette was Executive Vice President and Chief Marketing Officer of Pepsi-Cola where he was one of the architects of Pepsi's move into the water, tea, coffee and juice categories. Prior to Pepsi-Cola, Mr. Swette spent four years as a Brand Manager at Procter & Gamble. Mr. Swette is a Trustee of Arizona State University, Endeavor.org and The Global Institute of Sustainability. Mr. Swette's knowledge and expertise on brand and marketing, and his experience on other public company boards of directors, make him particularly qualified for service on our Board and our Compensation and Executive Development Committee and Nominating and Corporate Governance Committee of the Board.

BETH BRONNER has been a member of our Board since June 2009. Ms. Bronner is a Managing Director of Mistral Equity Partners and has served in that capacity since September 2007. Ms. Bronner served as Senior Vice President and Chief Marketing Officer for Jim Beam Brands Worldwide, Inc., from September 2003 to July 2006. From May 2001 to September 2003, Ms. Bronner served as a private consultant and president of a private realty company. She has also previously served in executive roles at ADVO, Inc., Sunbeam Corporation, Citibank, N.A., AT&T Company, Revlon and Haagen-Dazs and has held senior marketing positions across a diverse group of consumer focused product and service industries during her career. Ms. Bronner currently serves on the Board of Directors and chairs the Compensation Committee of Assurant, Inc. Ms. Bronner is also a member of the Board of Directors and the Governance Committee of The Hain Celestial Group, Inc. Previously, Ms. Bronner served on the board of directors and audit committee of Coolbrands International, Inc. from 2003 to 2006. She also currently serves on the boards of several not for profit organizations including The Goodman Theater. Ms. Bronner's business and management experience in the consumer focused product and services industries makes her particularly qualified for service on our Board.

ANDREW R. HEYER has been a member of our Board of Directors since June 2009. Mr. Heyer is the Chief Executive Officer and a Managing Director of Mistral Capital Management, LLC, a private equity fund. From 2000 to 2007 Mr. Heyer was a Managing Partner of Trimaran Capital Partners, L.L.C., a private equity firm and a member of the Investment Committee of Trimaran Advisors, L.L.C., which is the investment advisor to a series of collateralized loan obligation funds. Mr. Heyer was formerly a vice chairman of CIBC World Markets Corp. and a co-head of the CIBC Argosy Merchant Banking Funds. Mr. Heyer also served on the board of directors and audit committees of Las Vegas Sands and Hain Celestial Group from 2007-2008 and 2007-2009, respectively. Prior to joining CIBC World Markets Corp. in 1995, Mr. Heyer was a founder and Managing Director of The Argosy Group L.P. Before Argosy, Mr. Heyer was a Managing Director at Drexel Burnham Lambert Incorporated and, prior to that, he worked at Shearson / American Express. Mr. Heyer currently serves on the Board of Directors of Charlie Brown's Acquisition Corp., El Pollo Loco, Inc., Brite Media Group LLC and Village Voice Media, LLC., Shearers Food and Chef Solutions, and he serves on the Board of Overseers of the University of Pennsylvania School Health Systems and is a Member of the Board of Trustees of the University of Pennsylvania. Mr. Heyer's business, financial and investment experience in the consumer focused product and services industries makes him particularly qualified for service on our Board and Finance Committee of the Board.

MICHAEL SERRUYA has been a member of our Board since June 2009. Mr. Serruya co-founded CoolBrands International Inc. in 1986 and has served as its President and Chief Executive Officer since November 2006. Mr. Serruya was President, Chief Executive Officer and Chairman of Yogen Früz World Wide Incorporated from 1995 to 2000 and has continued serving as the Chairman of Yogen Früz since February 2000. He is also a member of the board of directors and audit committee of Response Genetics, Inc. Mr. Serruya's experience in leading a quick service restaurant franchise organization, and his licensing and consumer products expertise, make him particularly qualified for service on our Board and Finance Committee of the Board.

Background information on the officers of the Company other than Mr. White can be found in our Annual Report on Form 10-K filed with the SEC on March 10, 2010 under the heading Executive Officers.

Recommendations of the Board of Directors

The Board of Directors recommends a vote FOR our nominees named above.

CORPORATE GOVERNANCE

Director Independence

The Board of Directors has determined that, except for James D. White, each of the director nominees standing for election, and each of the directors intended to be elected by the holders of Series B-1 Preferred and Series B-2 Preferred Stock, has no relationship which, in the opinion of the Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and is an independent director as defined by the applicable NASDAQ rules and the rules and regulations of the Securities and Exchange Commission (the SEC). In determining the independence of our directors, the Board of Directors has adopted the independence standards that mirror the criteria specified by applicable law and regulations of the SEC and the NASDAQ. In making the determination of independence of our non-management directors, the Board of Directors evaluated the independence of Messrs. Heyer and Serruya and Ms. Bronner in connection with past equity transactions with the Company and in the cases of Mr. Heyer and Ms. Bronner it also considered the payment of monitoring fees by the Company to Mistral Capital Management, LLC.

Certain Relationships and Related Transactions

The Company has entered into indemnity agreements with certain officers and directors which provide, among other things, that Jamba will indemnify such officer or director, under the circumstances and to the extent provided for therein, for expenses, damages, judgments, fines and settlements he or she may be required to pay in actions or proceedings which he or she is or may be made a party by reason of his or her position as a director, officer or other agent of Jamba, and otherwise to the fullest extent permitted under Delaware law and our Bylaws.

The Company paid \$0.1 million to Mistral Capital Management, LLC for monitoring fees pursuant to the securities purchase agreement for the sale of its Series B-1 Preferred Stock. Mistral Capital Management, LLC serves as an investment manager to certain funds who hold shares of the Company's Series B Preferred Stock. Two members of the Company's Board of Directors, Andrew R. Heyer and Beth L. Bronner, hold positions as general partner and Managing Director, respectively, of Mistral Capital Management, LLC. These fees were in addition to the Board fees otherwise payable to Mr. Heyer and Ms. Bronner which were also paid to Mistral Capital Management, LLC.

In January 2009, the Company entered into an agreement with CertiLearn, Inc. (CertiLearn) whereby CertiLearn provides certain training materials and services to Jamba Juice. Under the terms of the agreement with CertiLearn, we paid CertiLearn approximately \$69,000 for an initial engagement, set up, initial course development and one year of service. We may further engage CertiLearn to develop additional courses at a cost of \$3,000 to \$10,000 per course, but we do not expect to spend more than \$120,000 for services performed by CertiLearn in any twelve month period or \$200,000 in any three-year period. CertiLearn is a portfolio company of New River Capital Partners, and, as has been previously disclosed, Messrs. Berrard and Byrne who currently serve on our Board also serve, respectively, as Managing General Partner and Administrative General Partner of New River Capital Partners. Mr. Byrne also serves as a non-executive Chairman of the Board of CertiLearn for which he does not receive any fees and plays no active role in providing services for CertiLearn.

Other than the foregoing, there were no relationships or related party transactions in the fiscal year ended December 29, 2009 (Fiscal 2009) requiring disclosure in this Proxy Statement.

Procedures for Approval of Related Person Transactions

Any request for us to enter into a transaction with an executive officer, director or employee, or any of such persons' immediate family members or affiliates, must first be presented to our Audit Committee for review, consideration and approval. In approving or rejecting the proposed agreement, our Audit Committee will review each such transaction for potential conflicts of interest or improprieties in a manner consistent with our internal Policy Statement on Related Party Transactions.

Executive Sessions

Non-management directors regularly meet in executive session without management present each time the Board of Directors holds its regularly scheduled meetings.

Committees and Meeting Attendance

The Board of Directors has a standing Audit Committee, a Compensation and Executive Development Committee and a Nominating and Corporate Governance Committee. Each of these committees operates under a written charter adopted by the Board of Directors. Copies of these charters can be obtained on our website by going to <http://ir.jambajuice.com> and following the Corporate Governance link. The Board of Directors held 13 meetings during Fiscal 2009. Each of the standing committees of the Board of Directors held the number of meetings indicated in the table below. During Fiscal 2009, each of our directors except for Brian Swette attended at least 75% of the total number of meetings of the Board of Directors and all of the committees of the Board of Directors held during the period in which such director served. Directors are expected to make every effort to attend our annual meetings of stockholders; seven of the eight directors then serving attended the Company's last Annual Meeting of Stockholders held on May 8, 2009.

The following table sets forth the three standing committees of the Board of Directors, the current and former members of each committee during Fiscal 2009 and the number of meetings held by each such committee during Fiscal 2009:

Name of Director	Audit	Compensation and Executive Development	Nominating and Corporate Governance
Steven R. Berrard (1)	Member		Member
Thomas C. Byrne	Member	Member	
Richard L. Federico (2)	Member		Chair
Robert C. Kagle (3)		Member	
Ramon Martin-Busutil (4)		Member	Member
Brian Swette		Chair	Member
Lesley H. Howe	Chair		
Andrew R. Heyer			
Beth Bronner			
Michael Serruya			
Number of Meetings:	5	5	4

- (1) Mr. Berrard served on our Audit Committee until April 27, 2009. Mr. Berrard was appointed to our Nominating and Corporate Governance Committee on August 13, 2009.
- (2) Mr. Federico began serving on our Audit Committee on April 27, 2009.
- (3) Mr. Kagle served on our Compensation and Executive Development Committee until his resignation from the Board on August 12, 2009.
- (4) Mr. Martin-Busutil served on our Nominating and Corporate Governance Committee until August 13, 2009, at which time he began serving on our Compensation and Executive Development Committee.

We also have an ad hoc Finance Committee currently composed of Messrs. Martin-Busutil, Byrne, Serruya and Heyer. The ad hoc Finance Committee was constituted to assess proposed refranchising and consumer products licensing transactions and to make recommendations to the Board on whether to approve such transactions.

Audit Committee

The current members of the Audit Committee are Lesley H. Howe (Chair), Richard L. Federico and Thomas C. Byrne.

Each of the members of the Audit Committee is independent for purposes of the applicable NASDAQ rules and the rules and regulations of the SEC as they apply to Audit Committee members.

With the assistance of the Company's legal counsel, the Nominating and Corporate Governance Committee reviewed the applicable legal standards and criteria to determine audit committee financial expert status, as well as the answers to annual questionnaires completed by the Board members. On the basis of this review, the Nominating and Corporate Governance Committee delivered a report to the full Board. The Board made a determination that all current members of the Audit Committee are audit committee financial experts based upon the Nominating and Corporate Governance Committee's report and each Board member's review of the information made available to the committee.

The Audit Committee operates under a written charter approved by the Board of Directors, a copy of which can be obtained on our website by going to <http://ir.jambajuice.com> and following the Corporate Governance link. As more fully defined in the committee's charter, the functions of the Audit Committee include retaining our independent registered public accounting firm, reviewing their independence, reviewing and approving the planned scope of our annual audit, reviewing and approving any fee arrangements with our independent registered public accounting firm, overseeing their audit work, reviewing and pre-approving any non-audit services that may be performed by them, reviewing the adequacy of accounting and financial controls, reviewing our critical accounting policies and reviewing and approving any related party transactions.

Additional information regarding the Audit Committee is set forth in the Report of the Audit Committee immediately preceding Proposal No. 2.

Compensation and Executive Development Committee

The current members of the Compensation and Executive Development Committee are Brian Swette (Chair), Thomas C. Byrne and Ramon Martin-Busutil. Each of the members of the Compensation and Executive Development Committee is independent for purposes of the applicable NASDAQ rules. The Compensation and Executive Development Committee operates under a written charter approved by the Board of Directors, a copy of which can be obtained on our website by going to <http://ir.jambajuice.com> and following the Corporate Governance link.

As more fully described in the committee's charter, the primary function of the Compensation and Executive Development Committee is to assist the Board of Directors in managing compensation and development for directors and executives. The Compensation and Executive Development Committee's primary duties and responsibilities are to (i) set compensation philosophy and determine executive compensation; (ii) ensure that all components of executive compensation are consistent with the Company's compensation philosophy as in effect from time to time; (iii) evaluate and make recommendations to the Board of Directors on an annual basis concerning compensation of the members of the Board of Directors; and (iv) work with management to devise and execute on an executive development plan and succession planning and practices for the Company. The Compensation and Executive Development Committee's Charter does not provide for any delegation of these duties. In addition, the Compensation and Executive Development Committee has the

authority under its charter to hire outside consultants and conduct such compensation reviews, investigations and/or surveys as the Compensation and Executive Development Committee may reasonably deem will provide such information as could reasonably and properly be required by the Compensation and Executive Development Committee in the exercise of its duties and responsibilities. In Fiscal 2009, the Company engaged a consultant related to executive compensation matters.

In setting compensation for our members of the Board of Directors, our executive officers provide suggestions on the administration of compensation for our directors to the Compensation and Executive Development Committee. For a description of the role our executive officers play in determining or recommending the amount or form of executive compensation, please see the section below entitled EXECUTIVE COMPENSATION Compensation Discussion and Analysis.

Compensation Committee Interlocks and Insider Participation

No member of the Compensation and Executive Development Committee is or has been an officer or employee of the Company during Fiscal 2009. During Fiscal 2009, no member of the Compensation and Executive Development Committee had any relationship with the Company requiring disclosure under Item 404 of Regulation S-K. During Fiscal 2009, none of the Company's executive officers served on the Compensation and Executive Development Committee or Board of Directors of another entity any of whose executive officers served on the Company's Compensation and Executive Development Committee or Board of Directors.

Nominating and Corporate Governance Committee

The current members of the Nominating and Corporate Governance Committee are Richard L. Federico (Chair), Steven R. Berrard and Brian Swette.

Each of the members of the Nominating and Corporate Governance Committee is independent for purposes of the applicable NASDAQ rules. The Nominating and Corporate Governance Committee operates under a written charter approved by the Board of Directors, a copy of which can be obtained on our website by going to <http://ir.jambajuice.com> and following the Corporate Governance link. As more fully defined in the committee's charter, the Nominating and Corporate Governance Committee considers qualified candidates for appointment and nomination for election to the Board of Directors and makes recommendations concerning such candidates, develops corporate governance principles for recommendation to the Board of Directors and oversees the regular evaluation of our directors and management.

Director Nominations

The Board of Directors has adopted a Director Qualifications and Nominations Policy, the purpose of which is to describe the process by which candidates for possible inclusion in the Company's slate of director nominees are selected. The Director Qualifications and Nominations Policy is administered by the Nominating and Corporate Governance Committee.

The Nominating and Corporate Governance Committee annually evaluates the current members of the Board of Directors whose terms are expiring and who are willing to continue in service against the criteria set forth below in determining whether to recommend these directors for election. The Nominating and Corporate Governance Committee regularly assesses the optimum size of the Board of Directors and its committees and the needs of the Board of Directors for various skills, background and business experience in determining if the Board of Directors requires additional candidates for nomination. While the Nominating and Corporate Governance Committee does not have a formal policy on diversity with regard to consideration of director nominees, the Nominating and Corporate Governance Committee considers diversity in its selection of nominees and seeks to have a Board of Directors that brings to the Company a variety of perspectives and skills derived from high quality business and professional experience.

In fulfilling its responsibilities, the Nominating and Corporate Governance Committee considers, among other things, the following factors in reviewing possible candidates for nomination as director:

the appropriate size of the Company's Board of Directors and its Committees;

the perceived needs of the Board of Directors for particular skills, background and business experience;

the skills, background, reputation, and business experience of nominees compared to the skills, background, reputation, and business experience already possessed by other members of the Board of Directors;

nominees' independence from management;

applicable regulatory and listing requirements, including independence requirements and legal considerations, such as antitrust compliance;

the benefits of a constructive working relationship among directors; and

the desire to balance the considerable benefit of continuity with the periodic injection of the fresh perspective provided by new members.

Candidates for nomination as director come to the attention of the Nominating and Corporate Governance Committee from time to time through incumbent directors, management, stockholders or third parties. These candidates may be considered at meetings of the Nominating and Corporate Governance Committee at any point during the year. Such candidates are evaluated against the criteria set forth above. If the Nominating and Corporate Governance Committee believes at any time that it is desirable that the Board of Directors consider additional candidates for nomination, the Nominating and Corporate Governance Committee may poll directors and management for suggestions or conduct research to identify possible candidates and may engage, if the Nominating and Corporate Governance Committee believes it is appropriate, a third party search firm to assist in identifying qualified candidates.

The Nominating and Corporate Governance Committee will evaluate any recommendation for director nominee proposed by a stockholder. In order to be so evaluated, any recommendation for director nominee submitted by a stockholder must be sent in writing to the Corporate Secretary, Jamba, Inc., 6475 Christie Avenue, Suite 150, Emeryville, CA 94608, 120 days prior to the anniversary of the date proxy statements were released to stockholders in connection with the prior year's annual meeting of stockholders and must contain the following information:

the candidate's name, age, contact information and present principal occupation or employment; and

a description of the candidate's qualifications, skills, background, and business experience during, at a minimum, the last five years, including his/her principal occupation and employment and the name and principal business of any corporation or other organization in which the candidate was employed or served as a director.

All directors and director nominees must submit a completed form of directors' and officers' questionnaire as part of the nominating process. The evaluation process may also include interviews and additional background and reference checks for non-incumbent nominees, at the discretion of the Nominating and Corporate Governance Committee.

The Nominating and Corporate Governance Committee will evaluate incumbent directors, as well as candidates for director nominee submitted by directors, management and stockholders consistently using the criteria stated in its policy and will select the nominees that in the Nominating and Corporate Governance Committee's judgment best suit the needs of the Board of Directors at that time.

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In addition, our Bylaws permit stockholders to nominate directors for consideration at annual meetings, provided the advance notice requirements set forth in our Bylaws have been properly met.

Communications with Directors

Stockholders may communicate with any and all members of our Board of Directors by transmitting correspondence by mail or facsimile addressed to one or more directors by name (or to the Chairman, for a communication addressed to the entire Board of Directors) at the following address and fax number:

Name of the Director(s)

c/o Corporate Secretary

Jamba, Inc.

6475 Christie Avenue, Suite 150

Emeryville, CA 94608

Fax: (510) 653-0643

Communications from our stockholders to one or more directors will be collected and organized by our Corporate Secretary under procedures approved by our independent directors. The Corporate Secretary will forward all communications to the Chairman of the Board of Directors, or to the identified director(s) as soon as practicable, although communications that are abusive, in bad taste or that present safety or security concerns may be handled differently. If multiple communications are received on a similar topic, the Corporate Secretary may, in his or her discretion, forward only representative correspondence.

The Chairman of the Board of Directors will determine whether any communication addressed to the entire Board of Directors should be properly addressed by the entire Board of Directors or a committee thereof. If a communication is sent to the Board of Directors or a Committee, the Chairman of the Board, or the Chairman of that committee, as the case may be, will determine whether a response to the communication is warranted. If a response to the communication is warranted, the content and method of the response will be coordinated with our General Counsel.

Code of Business Conduct and Ethics

The Company has adopted a Code of Business Conduct and Ethics that applies to all of its employees, including the Chief Executive Officer, Chief Financial Officer and Controller. The Code of Business Conduct and Ethics can be obtained on the Company's website by going to <http://ir.jambajuice.com> and following the Corporate Governance link. The Company intends to post on its Website any amendments to or waivers of the Company's Code of Business Conduct and Ethics. The information contained on the Company's website is not part of this document.

Corporate Governance Guidelines

We have adopted Corporate Governance Guidelines that address the composition of the Board of Directors, criteria for membership on the Board of Directors and other Board of Directors governance matters. These guidelines can be obtained on our website by going to <http://ir.jambajuice.com> and following the Corporate Governance link. A printed copy of the guidelines may also be obtained by any stockholder upon request in writing to Jamba, Inc., c/o ICR, Inc., 441 Lexington Avenue, 4th Floor, New York, NY, by emailing investors@jambajuice.com, or by telephoning (203) 682-8200.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Company's Board of Directors is composed of three members and acts under a written charter adopted and approved by the Board of Directors in 2006. The members of the Audit Committee are independent as defined by its charter, the NASDAQ Global Market listing standards and the Securities Exchange Act.

The Audit Committee oversees the Company's financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls. In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed the audited financial statements in the Annual Report on Form 10-K for the fiscal year ended December 29, 2009 with management, which review included a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.

The Audit Committee reviewed and discussed with KPMG LLP, the Company's independent registered public accounting firm, who is responsible for expressing an opinion on the conformity of those audited financial statements with accounting principles generally accepted in the United States of America, its judgment as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Audit Committee under generally accepted auditing standards, including Statement on Auditing Standards No. 61 (Communication with Audit Committees), as amended. The independent registered public accounting firm also provided the Audit Committee with the written disclosures required by applicable professional and regulatory standards relating to KPMG's independence from the Company, including the Public Company Accounting Oversight Board pertaining to the independent accountant's communications with the Audit Committee concerning independence. The Audit Committee also reviewed and pre-approved all fees paid to the independent registered public accountants and considered whether KPMG's provision of non-audit services to the Company was compatible with the independence of the independent registered public accountants. The Audit Committee concluded that the independent registered public accountants are independent from the Company and its management.

The Audit Committee discussed with the Company's independent registered public accounting firm the overall scope and plans for their audit. The Audit Committee met with the independent registered public accounting firm, with and without management present, to discuss the results of their examination, their evaluations of the Company's internal controls, and the overall quality of the Company's financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Company's Board of Directors, and the Board approved, that the Company's audited financial statements be included in the Annual Report on Form 10-K for the fiscal year ended December 29, 2009 for filing with the SEC.

SUBMITTED BY THE AUDIT COMMITTEE

OF THE BOARD OF DIRECTORS

Lesley H. Howe, Chairman

Thomas C. Byrne

Richard L. Federico

PROPOSAL NO. 2

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC

ACCOUNTING FIRM

The Audit Committee of the Board of Directors requests that stockholders ratify the selection of KPMG LLP as its independent registered public accounting firm to audit the consolidated financial statements of the Company for the fiscal year ending December 28, 2010 (Fiscal 2010). KPMG LLP audited the consolidated financial statements of the Company and management s report for Fiscal 2009 and Fiscal 2008.

A representative of KPMG LLP is expected to be present at the Annual Meeting with the opportunity to make a statement if the representative desires to do so, and is expected to be available to respond to appropriate questions. At the Annual Meeting, the stockholders are being asked to ratify the selection of KPMG LLP as the Company s independent registered public accounting firm for Fiscal 2010. If the selection of KPMG LLP as auditors for 2010 is not approved by stockholders, the adverse vote will be considered by the Audit Committee in its decision to retain KPMG as auditors for 2010. Even if this selection is ratified, the Audit Committee, in its discretion, may direct the engagement of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in the best interests of the Company and its stockholders.

Prior to July 10, 2008, Deloitte & Touche, LLP acted as our independent registered public accounting firm since its appointment in the fiscal years ended January 9, 2007 (Fiscal 2006) and January 1, 2008 (Fiscal 2007). The reports of Deloitte & Touche, LLP on the Company s financial statements for Fiscal 2006 and Fiscal 2007 contained no adverse opinion or disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles. The Company s Board of Directors recommended and approved the decision to change independent registered public accounting firms.

In connection with the audit of the Company s financial statements for Fiscal 2006, Fiscal 2007 and through July 10, 2008, there were no disagreements with Deloitte & Touche, LLP on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Deloitte & Touche, LLP, would have caused it to make reference to the subject matter of such disagreements in connection with its audit report. There were no reportable events as defined in Item 304(a)(1)(v) of Regulation S-K except that as of the end of fiscal 2006 (year ended January 9, 2007), the Company s disclosure controls and procedures were not effective due to the existence of a material weakness related to the accounting for large, complex, non routine transactions, as more fully described in the Company s Annual Report on Form 10-K for Fiscal 2006. As of the end of Fiscal 2007 management concluded that the Company s internal control over financial reporting was effective.

The Company gave permission to Deloitte & Touche, LLP to respond fully to the inquiries of the successor auditor, including concerning the subject matter of this reportable event. The Company requested that Deloitte & Touche, LLP furnish the Company with a letter addressed to the Securities and Exchange Commission stating whether it agrees with the above statements. A copy of such letter, dated July 15, 2008, is filed as Exhibit 16.1 to the current report on Form 8-K filed with the Securities and Exchange Commission on July 15, 2008.

Fees for Professional Services

The following table sets forth the aggregate fees billed to the Company for the fiscal year ended December 29, 2009 (Fiscal 2009) and fiscal year ended December 30, 2008 (Fiscal 2008) by its independent registered public accounting firm, KPMG LLP and for Fiscal 2009 and Fiscal 2008 by its former independent registered public accounting firm, Deloitte & Touche, LLP:

	December 29, 2009 (52 weeks)	December 30, 2008 (52 weeks)
Audit Fees (1)	\$ 741,000	\$ 1,111,675
Audit-Related Fees (2)	31,735	40,760
Tax Fees (3)	97,321	50,000
All Other Fees	-0-	-0-
Total Fees	\$ 870,056	\$ 1,202,435

- (1) Audit Fees consist of fees billed for professional services rendered for the audit of the Company's consolidated annual financial statements and review of the interim consolidated financial statements included in quarterly reports and services that are normally provided by our independent registered public accountants in connection with statutory and regulatory filings or engagements. For Fiscal 2009 and Fiscal 2008, professional services provided by KPMG LLP was \$721,500 and \$788,000 respectively. For Fiscal 2009 and Fiscal 2008, professional services provided by Deloitte & Touche LLP were \$19,500 and \$323,675 respectively.
- (2) Audit-Related Fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under Audit Fees. For Fiscal 2009 Audit-Related Fees include \$17,310 for services performed by Deloitte & Touche LLP and \$14,425 for services performed by KPMG LLP. Audit-Related Fees in Fiscal 2008 include fees for services performed by Deloitte & Touche LLP related to the review of the Company's Franchise Disclosure Document.
- (3) Tax Fees consist of \$97,321 for services performed by KPMG LLP.

The Audit Committee has considered whether the provisions of services described in the table above are compatible with maintaining auditor independence. Each of the permitted non-auditing services described above has been pre-approved by the Audit Committee. Unless a type of service has received general pre-approval, it will require separate pre-approval by the Audit Committee. Each pre-approval term lasts for at least 12 months until the first regularly scheduled Audit Committee meeting. The Audit Committee has delegated its pre-approval authority to its Chairman, provided the Chairman reports any pre-approval decisions to the full Audit Committee at its next regularly scheduled meeting.

Vote Required and Board of Directors Recommendation

Approval of this proposal requires a number of votes **FOR** the proposal that represents a majority of the shares present or represented and entitled to vote on this matter at the Annual Meeting. Abstentions and broker non-votes will each be counted for purposes of determining the presence of a quorum, but will not have any effect on the outcome of this proposal.

The Board of Directors recommends a vote FOR the selection of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending December 28, 2010.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview

The following discussion and analysis is intended to provide an explanation of our compensation program relating to Fiscal 2009, with particular focus on our Chief Executive Officer (CEO) and the other executives named in the 2009 Summary Compensation Table that follows this discussion (herein referred to as the Named Executive Officers). The discussion includes our compensation philosophy and the program s objectives, the elements of compensation used to pay our executives, and historical information regarding how our program has developed and how that relates to how our executive officers were compensated for fiscal 2009 and are currently compensated.

The end of Fiscal 2009 marked the completion of the first full fiscal year with our new CEO, James D. White, and with a new executive management team vested with enhanced responsibilities. At the beginning of Fiscal 2009, we set out to evolve the Jamba Juice brand and implement our new strategic priorities, which we call our BLEND Plan. The key strategic priorities of our BLEND Plan include:

building a customer first, operationally focused service culture;

building a retail food capability across all four day parts (breakfast, lunch, afternoon, and dinner);

accelerating the development of franchise and non-traditional stores;

building a consumer products growth platform; and

continuing to implement a disciplined expense reduction plan.

Efforts undertaken in connection with our BLEND Plan led us to start the process of evaluating and adjusting our annual and long-term incentive compensation programs to reward employees, including our Named Executive Officers, for achievements which support our BLEND Plan and the attainment of business and financial measures that enhance stockholder value.

As will be described below, in Fiscal 2009 we did no