EDIETS COM INC
Form PREM14A
December 26, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A Information

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

Filed by Registrant ü

Filed by Party other than Registrant

Check the appropriate box:

ü	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 Materials Pursuant to §240.14a-12	

EDIETS.COM, INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

ü No fee required.

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(1) Title of each class of securities to which transaction applies:
(2) Aggregate number of securities to which transaction applies:
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(4) Proposed maximum aggregate value of transaction:
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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing
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(1) Amount previously paid:
(2) Form, Schedule or Registration Statement No.:
(3) Filing Party:
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The information in this preliminary proxy statement/prospectus is not complete and may be changed. These securities may not be issued or sold nor may proxies be solicited until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 26, 2012

To the Stockholders of eDiets.com, Inc. (eDiets or eDiets.com):

On October 31, 2012, As Seen On TV, Inc. (As Seen On TV or ASTV) and eDiets entered into a Merger Agreement by and among As Seen On TV, eDiets and eDiets Acquisition Company, a wholly owned subsidiary of As Seen On TV (the Merger Agreement). In the proposed merger, eDiets Acquisition Company will be merged with and into eDiets, so that eDiets will become a wholly owned subsidiary of As Seen On TV and all stockholders of eDiets (except those who properly exercise dissenters rights under Delaware law) will become stockholders of As Seen On TV. If the merger is completed:

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As Seen On TV stockholders will continue to own their existing shares of As Seen On TV common stock, $.0001 par value per share;

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all of the outstanding shares of eDiets common stock, par value $0.001 per share, outstanding as of the effective time of the merger (the Effective Time) will be exchanged for a total of 19,077,252 shares of As Seen On TV common stock. Based on the 15,060,514 shares of eDiets common stock that the companies expect to be outstanding at the Effective Time, each eDiets stockholder would receive 1.2667 shares of As Seen On TV common stock at the Effective Time. However, the number of shares of As Seen On TV common stock issuable in the merger is fixed. Consequently, to the extent that the number of shares of eDiets common stock outstanding at the Effective Time is greater than anticipated, then the exchange ratio would be proportionally less;

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all of the 2,577,464 eDiets employee stock options and 719,058 eDiets common stock purchase warrants expected to be outstanding at the Effective Time will represent the right to receive a total of approximately 4,175,726 shares of As Seen On TV common stock based on the exchange ratio of 1.2667;

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all of the options (288,866 options as of September 30, 2012) held by the members of eDiets board who are resigning at the Effective Time (all the directors other than Mr. Richardson) will immediately vest and the term for exercise will be extended from 90 days post-resignation until the original term of the option;

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Kevin Harrington, Steve Rogai, Randolph Pohlman and Greg Adams will remain members of the As Seen On TV board of directors. As Seen On TV shall also be entitled to appoint an additional nominee, reasonably acceptable to eDiets;

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Kevin Richardson II, the current Chairman of eDiets, and a nominee of Mr. Richardson will join the As Seen On TV board of directors effective at the closing of the merger; and

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Kevin Richardson and Lee Isgur, a current director of eDiets, shall (1) convert outstanding eDiets promissory notes in the aggregate principal amount of $600,000 into an aggregate of 857,143 shares of As Seen On TV common stock and warrants to purchase an aggregate of 428,571 shares of As Seen On TV common stock exercisable at $0.80 per share; and (2) extend the maturity dates on remaining aggregate principal amounts held by Mr. Richardson and Mr. Isgur together with accrued interest from December 31, 2012 to June 30, 2013.

If the Merger Agreement is approved, eDiets will survive the merger as a wholly owned subsidiary of As Seen On TV and will still be named eDiets after the merger and all eDiets stockholders (except those who properly exercise dissenters rights under Delaware law) will become stockholders of As Seen On TV.

As Seen On TV s common stock is quoted on the OTC Markets under the symbol ASTV. On [ ], 20[12], the closing, high and low price for As Seen On TV common stock reported was $[ ] per share, $[ ] and $[ ], respectively. On [ ], 20[12], As Seen On TV had [ ] shares of common stock outstanding.

eDiets common stock is quoted on the OTC Bulletin Board under the symbol DIET. On [ ], 20[12], the closing, high and low price for eDiets common stock reported was $[ ] per share, $[ ] and $[ ], respectively. On [ ], 20[12] eDiets had [ ] shares of common stock outstanding.

After careful consideration, the eDiets board of directors has determined that the merger is in the best interests of its stockholders, and recommends voting FOR approval and adoption of the Merger Agreement and related transactions.

This document provides you with detailed information about the proposed merger. We encourage you to read this entire document carefully. **In particular, please see the section entitled Risk Factors starting on page [ ] of this document for a discussion of risks associated with the merger.** The merger cannot be completed unless eDiets stockholders approve the Merger Agreement and eDiets has scheduled a special meeting for its stockholders to vote on the Merger Agreement. The date, time and place of the meeting are as follows:

[ ], 20[13] at 10:00 a.m.

at the offices of eDiets

555 SW 12th Avenue

Suite 210

Pompano Beach, FL 33069

Whether or not you plan to attend a special meeting, please take the time to vote by completing and mailing the enclosed proxy card in the enclosed envelope to us. **YOUR VOTE IS VERY IMPORTANT.**

If eDiets stockholders approve the Merger Agreement, the parties anticipate scheduling a closing of the merger as soon as practicable following the stockholder s meeting.

Kevin A. Richardson II

Chairman

eDiets

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE AS SEEN ON TV COMMON STOCK TO BE ISSUED IN THE MERGER OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS ACCURATE OR ADEQUATE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This proxy statement/prospectus is dated and was first mailed to stockholders on or about December [ ], 2012.

EDIETS.COM, INC.
555 SW 12TH AVENUE
SUITE 210
POMPANO BEACH, FL 33069

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON [ ], 2013

To the Stockholders of eDiets:

A special meeting of the common stockholders of eDiets.com, Inc., a Delaware corporation, will be held starting at 10:00 a.m., local time, on [ ], 2013 at eDiets corporate offices for the following purposes:

1. To consider and vote upon a proposal to approve and adopt the Merger Agreement, dated as of October 31, 2012, by and among As Seen On TV, Inc., a Florida corporation, eDiets Acquisition Company, a Delaware corporation and a wholly owned subsidiary of As Seen On TV, and eDiets.com, Inc., a Delaware corporation, that will result in eDiets becoming a wholly owned subsidiary of As Seen On TV and all the stockholders of eDiets (except those who properly exercise dissenters rights under Delaware law) becoming stockholders of As Seen On TV.

Holders of record of eDiets common stock at the close of business on [ ], 20[12], the record date for the eDiets special meeting, are entitled to notice of and to vote as a single class on the merger proposal at the meeting or at any adjournment or postponement thereof. eDiets will hold a meeting of its stockholders to consider and vote on the merger proposal. Completion of the merger requires approval of eDiets common stockholders. The eDiets board of directors has determined that the terms of the Merger Agreement and the transactions contemplated by it are advisable and in the best interests of eDiets and its stockholders. The members of the eDiets board of directors recommend that stockholders vote at the special meeting to approve the Merger Agreement and the transactions contemplated by it.

All stockholders are urged either to attend the special meeting or to be represented by proxy. If a majority of the stockholders present or represented by proxy vote for adjournment or postponement, it is eDiets intention to adjourn the special meeting until a later date and to vote proxies received at the adjourned or postponed meeting.

Stockholders of record can vote their shares by completing and returning the accompanying proxy card in the enclosed business reply envelope.

If you later find that you can be present at the special meeting or for any other reason desire to revoke your proxy, you may do so at any time before the vote is taken.

Please do not send any eDiets stock certificates at this time. If the merger is completed, forms to be used to exchange your eDiets stock certificates for As Seen On TV stock certificates will be mailed to you.

YOUR VOTE IS VERY IMPORTANT. TO ENSURE YOUR REPRESENTATION AT THE EDIETS SPECIAL MEETING, YOU ARE URGED TO COMPLETE, SIGN AND RETURN THE ENCLOSED PROXY CARD AS PROMPTLY AS POSSIBLE IN THE ENCLOSED POSTAGE-PREPAID ENVELOPE.

By Order of the Board of
Directors,

Kevin A. Richardson, II, Chairman

Pompano Beach, Florida
[ ], 2012

FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements often, although not always, include words or phrases like will likely result, expect, will continue, anticipate, estimate, intend, plan, project, outlook, or similar These forward-looking statements are based on the current expectations of eDiets and As Seen On TV and assumptions about future events. These forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from those statements. These risks and uncertainties include, but are not limited to, those set forth under Risk Factors in this proxy statement/prospectus. The forward-looking statements contained in this proxy statement/prospectus include statements about the following:

·

the ability to integrate As Seen On TV s and eDiets businesses and operations;

·

the anticipated growth and growth strategies of As Seen On TV and eDiets;

·

the combined company s ability to successfully manage relationships with customers and other important relationships;

·

the willingness of customers to continue using the services and products of the combined company;

·

the combined company s success in integrating the management teams and employees of As Seen On TV and eDiets;

·

the challenges encountered in managing larger operations;

·

the ability to retain key employees;

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management s ability to focus on other ongoing business concerns given the additional work as a result of the merger;

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the compatibility of technologies and systems; and

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the compatibility of business cultures.

For additional information that could cause actual results to differ materially from those described in the forward-looking statements, please see Risk Factors commencing on page [ ] and As Seen On TV s and eDiets quarterly reports on Form 10-Q and annual reports on Form 10-K and other Exchange Act filings that are made by each with the Securities and Exchange Commission.

In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this proxy statement/prospectus might not occur.

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QUESTIONS AND ANSWERS ABOUT THE PROPOSED MERGER

Q1. Why are As Seen On TV and eDiets proposing the merger? (See pages** [ ] [ ]**)

A1. The boards of directors of As Seen On TV and eDiets identified several reasons for the merger, including the anticipated synergies from the merger resulting from a larger entity with greater critical mass, lower expenses, a stronger capital structure, the opportunity to expand the volume of business and the potential to expand into areas of activity that would provide additional revenues on a recurring basis as well as the opportunity to retain and attract qualified personnel.

The eDiets board took into consideration, among other things, the company s weak financial position and its current expectation that it would continue to need additional resources to fund operations, the need for at least $2.0 million in funds to continue operations through the upcoming diet season, the eDiets board s assessment that no alternatives were reasonably likely to present more favorable opportunities for eDiets to create greater value for its stockholders, taking into account the financial condition of eDiets, as well as its belief that the combination of the businesses of eDiets and As Seen On TV offered the best alternative for continuing the business and that the combined entity might be in a better position to become cash flow positive as it would have greater infomercial expertise and access to celebrity spokespersons who could become eDiets spokespersons and potentially increase revenue.

In the opinion of the respective boards of As Seen On TV and eDiets, the proposed merger represents a next step forward in the business, financial, and compliance improvement of eDiets and As Seen On TV. By combining, As Seen On TV and eDiets can more effectively and efficiently manage the process of improving operations and performance. Management of both companies believes the merger will result in significant human and capital savings and will eliminate duplicative costs associated with complying with their responsibilities as public companies.

As Seen On TV and eDiets are both publicly traded companies, and their common stock is quoted on the OTC Markets and the OTC Bulletin Board respectively. The rapidly changing regulatory and compliance environment for public companies was a determinant factor in the proposed merger. The Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley) and the Securities and Exchange Commission (the SEC) regulations governing public companies have increased the costs of compliance for public companies. As a result of Sarbanes-Oxley and these regulations, public companies must now expend significant human, informational and capital resources to comply with applicable laws and regulations. Internal and external legal and audit costs, as well as director and other fees, have become quite burdensome on small public companies attempting to achieve growth and profitability. In addition, micro-cap companies, such as As Seen On TV and eDiets, continue to experience difficulties in attracting interest from the investor community, limiting access to the capital markets. These increased costs, and the limited investment community interest, affect stockholder return.

Q2. What will eDiets common stockholders receive for their eDiets shares? (See page** [ ]**)

A2. All of the outstanding shares of eDiets common stock, par value $0.001 per share, outstanding at the Effective Time will be exchanged for a total of 19,077,252 shares of As Seen On TV common stock. Based on the 15,060,514 shares of eDiets common stock that the companies expect to be outstanding at the Effective Time, each eDiets stockholder would receive 1.2667 (based on the 15,060,514 shares of eDiets common stock expected to be outstanding at the Effective Time) shares of As Seen On TV common stock at the Effective Time for each share of eDiets common stock owned by that stockholder. However, the number of shares of As Seen

On TV common stock issuable in the merger is fixed. Consequently, to the extent that the number of shares of eDiets common stock outstanding at the Effective Time of the merger is greater than anticipated, then the exchange ratio would be proportionally less.

Q3. What will the holders of eDiets warrants and options receive in the merger? (See page [ ]*)*

A3. If the merger is completed, each eDiets warrant and option that remains outstanding and unexercised following the effective time of the merger will be exercisable for As Seen On TV common stock. The terms and conditions of the warrants and options will remain the same, except that the number of shares covered by the option or warrant, and the exercise price will be adjusted to reflect the exchange ratio. Assuming the number of shares of eDiets common stock outstanding remains the same, the number of shares of common stock for which such warrant or option will be exercisable after the merger will be equal to 1.2667 (based on the 15,060,514 shares of eDiets common stock expected to be outstanding at the Effective Time) times the number of shares of eDiets common stock that were purchasable immediately prior to the merger. The exercise price per share after the merger will be equal to the exercise price prior to the effective time of the merger, divided by the exchange ratio.

Q4. Will As Seen On TV stockholders receive any shares as a result of the merger?

A4. No. As Seen On TV stockholders will continue to hold the same As Seen On TV shares they currently own.

Q5. What will the name of each company be after the merger?

A5. The name of As Seen On TV and eDiets will remain unchanged after the merger, with eDiets becoming a wholly owned subsidiary of As Seen On TV.

Q6. What risks should I consider? (See pages [ ] [ ])

A6. You should review Risk Factors starting on page [ ]. You should also review the factors considered by eDiets board of directors (eDiets board) in making their recommendations to stockholders. See Recommendation of the eDiets Board of Directors starting on page [ ].

Q7. What Stockholder approvals are needed? (See pages [ ] [ ])

A7. The affirmative vote of a majority of the shares of eDiets common stock outstanding on the record date is required to approve the merger. As of the close of business on the eDiets record date for the special meeting, eDiets directors, officers and their respective affiliates, beneficially owned and were entitled to vote approximately [ ]shares of eDiets common stock in the aggregate or approximately [ ]% of the voting power of eDiets shares entitled to vote at the special meeting.

No vote of the holders of the outstanding shares of As Seen On TV s common stock is required to approve the merger.

Q8. Will the eDiets stockholders be able to trade the As Seen On TV common stock that they receive in the merger?

A8. Yes. As Seen On TV s common stock is quoted on the OTC Markets under the symbol ASTV. The As Seen On TV common stock that the eDiets stockholders receive will be freely tradable unless such holder is an affiliate of As Seen On TV.

Q9. Will the eDiets stockholders recognize gain or loss for tax purposes? (See page [ ])

A9. The merger has been structured as a reorganization for United States federal income tax purposes. In general, eDiets stockholders will not recognize gain or loss for United States federal income tax purposes by exchanging their eDiets shares for any As Seen On TV shares in the merger. eDiets stockholders, who are not U.S. residents or taxpayers, may be subject to certain special rules, and this summary may not apply to all eDiets stockholders. No ruling from the Internal Revenue Service has been or will be sought. The eDiets stockholders are urged to carefully review the detailed summary of the material United States federal income tax consequences of the merger set forth in this proxy statement/prospectus and to consult with and rely solely upon your own tax advisor to determine your particular tax consequences resulting from the merger.

***Q10 Am I entitled to dissenters or appraisal rights? (See pages** [ ] [ ])*

A10. Yes. Under Delaware law, eDiets stockholders have the right to dissent from the merger and to receive payment in cash for the fair value of their shares of eDiets common stock, as determined by the Delaware Chancery Court. In order to perfect appraisal rights, eDiets stockholders must give written demand for appraisal of their shares before the taking of the vote on the merger at the special meeting and must not vote in favor of adoption of the Merger Agreement. Merely voting against adoption of the Merger Agreement will not protect your rights to appraisal. In order to protect your appraisal rights, you must adhere to all of the requirements set forth under Delaware law. A copy of the applicable Delaware statutory provision is included as Appendix C to this proxy statement/prospectus.

***Q11. Does the board of directors of eDiets recommend voting in favor of the eDiets merger? (See page** [ ])*

A11. Yes. After careful consideration, eDiets board of directors recommends that its stockholders vote in favor of the proposed Merger Agreement.

Q12. When do you expect the transaction to be completed?

A12. eDiets and As Seen On TV are working toward completing the merger as quickly as possible. The parties anticipate holding a closing and completing the transaction as soon as practicable following approval of the Merger Agreement at the eDiets stockholders meeting.

Q13. When and where is the special meeting? (See pages** [ ]**)

A13. The eDiets special meeting will take place on [ ], 2013 at 10:00 a.m., local time, at 555 SW 12th Avenue, Suite 210, Pompano Beach, Florida 33069.

Q14. What if I do not vote? (See pages** [ ] [ ] **;**[ ] [ ]**)

A14. If you fail to respond, your shares will not count toward the quorum necessary to conduct the vote at the meeting, and will effectively be a vote against the merger. The failure to vote does not, in itself, protect your dissenters rights under Delaware law. If you sign, date and mail your proxy card without identifying how you want to vote with respect to the merger, your proxy will be voted FOR approval of the merger. If you sign, date and mail your proxy card and indicate that you intend to withhold your vote on a proposal, it will have the same effect as a vote AGAINST the merger. You may also vote by appearing at the special meeting and voting in person.

Q15. If my shares are held in street name by my broker, will my broker automatically vote my shares for me?

A15. Generally, no. You should instruct your bank, broker or other nominee how to vote your shares. Brokers who hold shares for the accounts of their clients may vote such shares either as directed by their clients or in their own discretion if permitted by the stock exchange or other organization of which they are members. For members of the New York Stock Exchange, certain proposals other than the election of directors are non-discretionary. This means that brokers who have received no instructions from their clients do not have discretion to vote on those items. If your broker does not receive voting instructions from you, your shares will not be voted on the adoption of the Merger Agreement. Please check the voting information form used by your broker to see if it offers telephone or Internet voting.

Q16. What if I fail to instruct my broker?

A16. Generally, the broker holding your shares in street name may vote the shares only if you provide the broker with appropriate instructions. If you fail to instruct your broker to vote your shares and the broker submits an unvoted proxy, the resulting broker non-vote will be counted for the purpose of determining the existence of a quorum at the special meeting, but will not be voted on the proposal at the special meeting. A broker non-vote will not be considered a vote cast at the eDiets special meeting. A broker non-vote will have the same effect as a vote AGAINST the proposal at the eDiets special meeting.

Q17. Can I change my vote after I have delivered my proxy? (See pages** [ ] [ ] **;**[ ]**)

A17. Yes. You can change your vote at any time before your proxy is voted at the special meeting. You can do this in one of three ways:

First, you can revoke your proxy.

Second, you can submit a new proxy bearing a later date.

If you choose either of these two methods, you must submit your notice of revocation or your new proxy to the secretary of eDiets, before the special meeting. If your shares are held in an account at a brokerage firm or bank, you should contact your brokerage firm or bank to change your vote.

Third, if you are a holder of record, you can attend the special meeting and vote in person. Simply attending the special meeting, however, will not revoke your proxy. Please note that if your shares are held in street name by a broker, bank or other nominee, and you wish to vote in person at the special meeting, you must bring to the meeting a letter from the broker, bank or other nominee confirming your beneficial ownership of the shares to be voted.

Q18. How can I exchange my shares of eDiets? (See pages [ ] [ ] ***)***

A18. Pacific Stock Transfer Trust Company, Inc. will act as exchange agent and will forward detailed instructions to you regarding the surrender of your share certificates, together with a letter of transmittal, promptly after the merger is completed. You should not submit your certificates to Pacific Stock Transfer until you have received these materials.

Q19. Should eDiets stockholders send in their stock certificates now?

A19. No. After we complete the merger, As Seen On TV or its exchange agent, Pacific Stock Transfer, will send eDiets stockholders written instructions to exchange their eDiets common stock for As Seen On TV common stock.

Q20. What do I need to do now? (See pages [ ] [ ] ***;***[ ]***)***

A20. After carefully reading and considering the information contained in this proxy statement/ prospectus, please respond by completing, signing and dating your proxy card or voting instructions and returning it in the enclosed postage paid envelope. In order to assure that we obtain your vote, please deliver your proxy as instructed even if you plan to attend the meeting in person.

Q21. Who can help answer my questions?

A21. If you are a stockholder of eDiets and have any questions about the merger or how to submit your proxy, or if you need additional copies of the proxy statement/prospectus or the enclosed proxy card or voting instructions, you should contact:

PLEASE REQUEST DOCUMENTS FROM AS SEEN ON TV OR EDIETS NOT LATER THAN [ ] 20[13]. UPON REQUEST, AS SEEN ON TV OR EDIETS WILL MAIL ANY DOCUMENTS TO YOU BY FIRST CLASS MAIL BY THE NEXT BUSINESS DAY.

See the section entitled Where You Can Find More Information on page [ ]of this proxy statement/prospectus for more information about the documents referred to in this proxy statement/prospectus.

You should rely only on the information contained in this proxy statement/prospectus in deciding how to vote on the proposal described in this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in this proxy statement/prospectus. This proxy statement/prospectus is dated [ ], 20[12]. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this proxy statement/prospectus regarding As Seen On TV and its wholly owned subsidiary to be created in connection with the merger has been provided by As Seen On TV and information contained in this proxy statement/prospectus regarding eDiets has been provided by eDiets.

The eDiets proxy accompanying this proxy statement/prospectus is solicited on behalf of eDiets board of directors. As Seen On TV will bear the costs of preparing and mailing this proxy statement/prospectus, and eDiets will bear the other costs of the solicitation of proxies from its stockholders. Following the mailing of this proxy statement/prospectus, the directors, officers, employees and agents of eDiets may solicit proxies in person, by mail, or by telephone, facsimile or other electronic methods without additional compensation other than reimbursement for their actual expenses.

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SUMMARY

This summary highlights selected information contained elsewhere in this proxy statement/ prospectus. It may not contain all of the information that may be important to you. Before voting, you should carefully read the entire proxy statement/prospectus, the appendices and other documents to which this proxy statement/prospectus refers in their entirety to fully understand the Merger Agreement and the transactions contemplated by the Merger Agreement.

The Companies

As Seen On TV, Inc.

As Seen On TV, a Florida corporation, is a direct response marketing company. It identifies and advises in development and marketing of consumer products. As Seen On TV employs three primary channels: direct response television (Infomercials), television shopping networks and retail outlets which may include brick and mortar, internet, catalog and print media. As Seen On TV holds a wholly owned interest in TV Goods, Inc., a Florida corporation (TVG) and Tru Hair, Inc., a Florida corporation. Primarily all of its operations are conducted through TVG which was formed in October 2009. As Seen On TV generates revenues primarily from three channels: direct response sales of consumer products, sale of consumer products through a live-shop TV venue and ownership and operation of the URL AsSeenOnTV.com which operates as a web based outlet for the company and other direct response businesses. In addition, As Seen On TV generates limited revenue through the production of infomercials for third parties and direct response related speaking engagements.

Inventors and entrepreneurs submit products or business concepts for As Seen On TV s review. Once As Seen On TV identifies a suitable product/concept it negotiates to obtain global marketing and distribution rights. These marketing and distribution agreements stipulate profit sharing, typically a royalty to the inventor or product owner. As of the date of this prospectus, As Seen On TV has marketed several products with limited success. As Seen On TV has sustained substantial operational losses since its inception, and such operational losses have continued through September 30, 2012. As Seen On TV has financed its operations primarily through the issuance of shares of its common stock and the issuance of convertible notes. At September 30, 2012, it had an accumulated deficit of approximately $15,084,000. As Seen On TV cannot predict how long it will continue to incur further losses or whether it will ever become profitable which is dependent upon the frequency and success of new and existing products.

eDiets.com, Inc.

eDiets.com, Inc. was incorporated in the State of Delaware on March 18, 1996 for the purpose of developing and marketing Internet-based diet and fitness programs. eDiets markets its products both to consumers and to businesses primarily in North America. It leverages the power of technology to bring weight loss solutions to both consumers and businesses. eDiets generates revenue primarily in two ways. (1) a nationwide weight-loss oriented meal delivery service and (2) sales of digital weight-loss programs. eDiets offers a subscription-based nationwide weight-loss oriented meal delivery service. The company has been offering digital subscription-based plans in the United States since 1998, when it launched its first diet plan. Digital diet plans are personalized according to an individual s weight goals, food and cooking preferences and include the related shopping lists and recipes. eDiets offers a variety of different digital diet plans, some of which it has developed and some of which it has licensed from third parties under exclusive arrangements.

Subscribers to its meal delivery and digital diet plans are acquired through its own advertising or through co-marketing arrangements with third parties. In addition to a meal delivery product or a digital diet plan, subscribers receive access to support offerings including interactive online information, communities and education as well as telephone and online support. eDiets offers message boards on various topics of interest to its subscribers, online meetings presented by a dietitian and the resources of approximately 40 customer service representatives.

Meal delivery subscribers generally purchase a full week or five days of prepared breakfasts, lunches, and dinners, supplemented by snacks that are generally shipped to arrive within two or three days.

Digital subscription programs ranging from four weeks to 52 weeks are billed in advance in varying increments of time. Substantially all of digital subscribers purchase programs via credit/debit cards, with renewals billed automatically, until cancellation.

For the year ended December 31, 2011, eDiets had a net loss of $4.4 million and used $3.5 million of cash in operations. For the nine-months ended September 30, 2012, eDiets had a net loss from continuing operations of $2.9 million and used $1.1 million of cash in operations. As of December 31, 2011 and September 30, 2012 eDiets had unrestricted cash of $0.6 million and $0.2 million, respectively. Due to uncertainty about its ability to meet current operating expenses and capital expenditures, in their report on eDiets annual financial statements for the year ended December 31, 2011, its independent registered public accounting firm included an explanatory paragraph in their opinion regarding eDiets ability to continue as a going concern.

The Merger (See pages [ ] [ ])

As Seen On TV and eDiets have entered into an Merger Agreement that provides for the merger of eDiets and a wholly owned subsidiary of As Seen On TV. As a result of the merger, eDiets will become a wholly owned subsidiary of As Seen On TV and eDiets common stockholders will receive a total of approximately 19,077,252 shares of As Seen On TV common stock in exchange for the shares of eDiets common stock they own. At December 14, 2012, As Seen On TV had outstanding 44,882,650 shares of common stock. The eDiets stockholders will thereafter have no stockholder rights in eDiets after the merger.

What you will Receive in the Merger (See page [ ])

All of the outstanding shares of eDiets common stock outstanding at the Effective Time will be exchanged for a total of 19,077,252 shares of As Seen On TV common stock. Based on the 15,060,514 shares of eDiets common stock that the company expects to be outstanding at the Effective Time, each eDiets stockholder would receive 1.2667 (based on the 15,060,514 shares of eDiets common stock expected to be outstanding at the Effective Time) shares of As Seen On TV common stock at the Effective Time. However, the number of shares of As Seen On TV common stock issuable in the merger is fixed. Consequently, to the extent that the number of shares of eDiets common stock outstanding at the Effective Time of the merger is greater than anticipated, then the exchange ratio would be proportionally less.

Treatment of Stock Options and Warrants (See page [ ])

When the merger is completed, each eDiets warrant and option that remains outstanding and unexercised following the effective time of the merger, will be deemed amended and be exercisable for As Seen On TV common stock. The terms and conditions will remain the same, except that (i) the option to acquire As Seen On TV common stock will equal the number (rounded to the nearest whole number) of shares of As Seen On TV common stock determined by multiplying (x) the number of eDiets shares subject to such eDiets stock option immediately prior to the Effective Time by (y) the exchange ratio, at a price per share of As Seen On TV common stock (rounded up to the nearest whole cent) equal to (a) the exercise price per eDiets share otherwise purchasable pursuant to such eDiets stock option divided by (b) the exchange ratio; and (ii) the warrant will be exercisable for that number of whole shares of As Seen On TV common stock as is equal to the product of the number of eDiets shares that were purchasable under the eDiets warrant immediately prior to the Effective Time, multiplied by the exchange ratio, rounded down to the nearest whole number of shares of As Seen On TV common stock and the per share exercise price for As Seen On TV common stock issuable upon exercise of such eDiets warrant will be the quotient obtained by dividing the aggregate exercise price of such eDiets warrant immediately prior to the Effective Time by the exchange ratio, rounded to the nearest whole cent.

Recommendation of the eDiets Board of Directors (See pages [ ]to [ ])

The eDiets board of directors believes that the merger is fair to stockholders and in the stockholders best interests, and voted to approve the Merger Agreement, and recommend that all stockholders vote FOR the adoption of the Merger Agreement.

eDiets board of directors considered a number of factors in determining to approve and adopt the Merger Agreement and the merger. These considerations are described in the section entitled Proposal I The Merger eDiets Reasons for the Merger and Recommendations of eDiets Board of Directors starting on page [ ].

Opinion of eDiets Financial Advisor (See pages [ ]to [ ])

Cassel Salpeter & Co., LLC, or Cassel Salpeter, an investment banking firm, rendered its oral opinion to the eDiets board on October 31, 2012 (which was subsequently confirmed in writing by delivery of Cassel Salpeter s written opinion dated the same date) as to the fairness to holders of eDiets Common Stock, from a financial point of view, of the Exchange Ratio provided for in the Merger pursuant to the Merger Agreement. The opinion was provided for the use and benefit of the eDiets board in connection with its consideration of the Merger and only addressed the fairness to holders of eDiets Common Stock, from a financial point of view, of the Exchange Ratio provided for in the Merger pursuant to the Merger Agreement, as of the date of the opinion, and did not address any other aspect or implication of the Merger. The summary of this opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the written opinion, which is included as Appendix B to this proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Cassel Salpeter in preparing its opinion. However, neither Cassel Salpeter s written opinion nor the summary of its opinion and the related analyses set forth in this proxy statement/prospectus are intended to be, and do not constitute, advice or a recommendation to any stockholder as to how such stockholder should act or vote with respect to any matter relating to the proposed Merger.

Interests of Directors and Executive Officers in the Merger (See page [ ])

Some of the directors and executive officers of As Seen On TV and eDiets have interests in the merger that are different from, or are in addition to, the interests of their company s stockholders. These interests include the following:

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as of [ ], 20[12], directors and executive officers of eDiets and their affiliates beneficially owned approximately [ ]% of the outstanding shares of eDiets common stock, but excluding stock options, warrants and a convertible note;

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as of December 14, 2012, directors and executive officers of As Seen On TV and their affiliates beneficially owned approximately 12% of the outstanding shares of As Seen On TV s common stock;

.

upon closing of the merger, As Seen On TV shall issue new options and warrants in exchange for all outstanding options and warrants held by eDiets officers, directors and employees;

.

at the Effective Time, all of the options (288,866 options as of September 30, 2012) held by the members of eDiets board who are resigning at the Effective Time (all the directors other than Mr. Richardson) will immediately vest and the term for exercise will be extended from 90 days post-resignation until the original term of the option;

.

at the Effective Time, Ms. Hartnett, eDiets current chief executive officer, is expected to enter into an employment agreement with As Seen On TV relating to her continued employment at eDiets; and

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Kevin Richardson and Lee Isgur, a current director of eDiets, shall (1) convert outstanding eDiets promissory notes in the aggregate principal amount of $600,000 into an aggregate of 857,143 shares of As Seen On TV common stock and warrants to purchase an aggregate of 428,571 shares of As Seen On TV common stock exercisable at $0.80 per share; and (2) extend the maturity dates on the remaining $200,000 aggregate principal amount together with accrued interest from December 31, 2012 to June 30, 2013.

The As Seen On TV board of directors and the eDiets board of directors were aware of and discussed these potentially conflicting interests when they approved the merger.

Dissenters Rights (See pages [ ] [ ])

Under Delaware law, eDiets stockholders have the right to dissent from the merger and to receive payment in cash for the fair value of their shares of eDiets common stock, as determined by the Delaware Chancery Court. This right of appraisal is subject to a number of restrictions and technical requirements. Generally, in order to exercise appraisal rights, an eDiets stockholder must: (1) send to eDiets a written demand for appraisal in compliance with Delaware law before the vote on the merger; and (2) not vote in favor of the merger.

Merely voting against the merger will not protect an eDiets stockholder s rights to appraisal. In order to protect such rights, the stockholder must adhere to all of the requirements set forth under Delaware law. The requirements under Delaware law for exercising appraisal rights are described in further detail in the section entitled eDiets Dissenter s Rights starting on page [ ]. The relevant section of Delaware law regarding appraisal rights is reproduced and included as Appendix C to this proxy statement/prospectus. If you are an eDiets stockholder and you vote on the merger, you will waive your rights to seek appraisal of your shares of eDiets common stock under Delaware law.

The Stockholders Meeting (See pages [ ] [ ] ; [ ] [ ])

The eDiets special meeting will be held on [ ], 2013 at 10:00 a.m., local time, at 555 SW 12th Avenue, Suite 210, Pompano Beach, Florida 33069.

If you are a beneficial owner of eDiets common stock at the close of business on [ ], 20[12], which eDiets board of directors has established as the record date, you are entitled to vote at the special meeting. Common stockholders are entitled to one vote for each share held of record on each matter submitted to a vote of stockholders. The holders of a majority of the outstanding common shares entitled to vote at the special meeting must be present in person or represented by proxy in order for eDiets to transact business.

The affirmative vote of the holders of a majority of the outstanding shares of eDiets common stock is required to adopt the Merger Agreement.

Board of Directors and Management Following the Merger (See pages [ ] [ ])

Immediately following the Effective Time, As Seen On TV s board of directors will consist of seven persons and shall consist of Kevin Harrington (Chairman of the Board), Steve Rogai, Randolph Pohlman, Greg Adams, Kevin Richardson, one designee of Mr. Richardson and one designee of As Seen On TV, reasonably acceptable to eDiets. Messrs. Pohlman, and Adams shall be independent directors.

Tax Considerations (See pages [ ] [ ])

We anticipate that the merger will be a tax-free reorganization for U.S. federal income tax purposes, and that eDiets stockholders will recognize no gain or loss upon conversion of their eDiets common stock into shares of As Seen On TV common stock, except with respect to cash received, if any, in lieu of fractional shares. eDiets stockholders may, however, recognize income, gain or loss in connection with the exercise of dissenters rights. eDiets stockholders should consult with their own tax advisers concerning the federal income tax consequences of the merger, as well as the applicable state, local, foreign or other tax consequences, based upon your individual circumstances.

Accounting Treatment (See page)[ ]

As Seen On TV has 44,882,650 shares outstanding as of December 20, 2012 and will be the acquirer for accounting purposes. As Seen On TV intends to account for the merger as an acquisition using the acquisition method of accounting under generally accepted accounting principles. eDiets operating results will be included with As Seen On TV s beginning at the closing of the Effective Time.

Effective Time of the Merger; Exchange of Shares (See page[ ])

The merger will become effective when a certificate of merger is filed with the Secretary of State of Delaware. We expect to file the certificate as soon as practicable after the special meeting, subject to approval by eDiets stockholders at the special meeting, and satisfaction or waiver of the terms and conditions of the Merger Agreement.

Pacific Stock Transfer will act as exchange agent for the merger and will forward detailed instructions to you regarding the surrender of your share certificates, together with a letter of transmittal, promptly after the merger is completed. You should not submit your certificates to Pacific Stock Transfer until you have received these materials. Pacific Stock Transfer will issue new As Seen On TV certificates to all eDiets stockholders exchanging their shares and pay you for any fractional interests as promptly as practicable following its receipt of your certificates and other required documents. You will not receive accrued interest on the cash payable to you upon the surrender of your certificates. YOU SHOULD NOT SEND ANY SHARE CERTIFICATES AT THIS TIME.

As Seen On TV Advances to eDiets (See page[ ])

The Merger Agreement requires that As Seen On TV lend eDiets up to $1.5 million (the Loan) on terms substantially similar to those set forth in the note issued by eDiets to As Seen On TV for $500,000 (the Original Note), which was filed with the Securities and Exchange Commission on September 11, 2012. On November 16, 2012, eDiets issued a promissory note to As Seen On TV (the New Note) pursuant to which eDiets will borrow the Loan. Interest accrues on the New Note at a rate of twelve percent (12%) per annum, and at the rate of eighteen percent (18%) per annum during the continuance of an event of default. The New Note will mature on the date that is ten business days following the

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first to occur of the following: (i) the closing date of the Merger Agreement; (ii) March 31, 2013; or (iii) an event of default under the New Note. All principal and accrued interest is due and payable in full on the maturity date of the New Note. If the maturity date occurs after the closing date of the Merger Agreement, payment will be made through conversion of the New Note into newly issued shares of common stock of eDiets at the same conversion price established in the Merger Agreement; otherwise, payment will be made in cash. If the Merger Agreement terminates, As Seen On TV will have the option to convert the Original Note and New Note into newly issued shares of eDiets common stock at a conversion price of $0.25 and $0.54 per share, respectively. Under the New Note, eDiets must comply with a number of covenants, including a covenant to make any payments due under the New Note prior to making payments in respect of indebtedness incurred following November 16, 2012, and a covenant not to incur certain additional indebtedness or grant certain liens over its assets without the prior written consent of As Seen On TV. As of December 14, 2012, the outstanding advances were $2.0 million.

Conditions to the Merger (See pages [ ] [ ])

As Seen On TV s and eDiets obligations under the Merger Agreement are subject to the prior satisfaction or waiver of a number of conditions, including the following:

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eDiets shall have obtained stockholder approval in accordance with the Delaware General Corporation Law (DGCL) and eDiets governing documents;

.

no provision of any applicable law shall prohibit or enjoin the consummation of the merger;

.

all required approvals, applications or notices with governmental authorities shall have been obtained, except those approvals the failure of which to obtain would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on As Seen On TV or eDiets;

.

this proxy statement/prospectus shall have been declared effective under the Securities Act and no stop order suspending its effectiveness shall be in effect and no proceedings for such purpose shall be pending before or threatened by the SEC;

.

As Seen On TV shall use its best efforts to have entered into written employment agreements with Jennifer Hartnett and Robert Smedley;

.

as of the Effective Time, the board of directors of As Seen On TV shall consist of Kevin Harrington (Chairman of the Board), Steve Rogai, Randolph Pohlman, Greg Adams, Kevin Richardson, one designee of Mr. Richardson and one designee of As Seen On TV, reasonably acceptable to eDiets; and

.

Kevin Richardson and Lee Isgur, a current director of eDiets, shall (1) convert outstanding eDiets promissory notes in the aggregate principal amount of $600,000 into an aggregate of 857,143 shares of As Seen On TV common stock and warrants to purchase an aggregate of 428,571 shares of As Seen On TV common stock exercisable at $0.80 per share; and (2) extend the maturity dates on the remaining $200,000 aggregate principal amount together with accrued interest from December 31, 2012 to June 30, 2013.

If the law permits, As Seen On TV or eDiets may each waive conditions for their benefit and their stockholders benefit and complete the merger even though one or more of these conditions has not been met. eDiets stockholder approval of the merger, the Merger Agreement and the transactions contemplated by the Merger Agreement cannot be waived. Other than as specifically set forth below, we cannot assure you that the conditions will be satisfied or waived or that the merger will occur.

Termination of Merger Agreement (See pages [ ] [ ])

eDiets and As Seen On TV may mutually agree at any time prior to Effective Time to terminate the Merger Agreement without completing the merger, even if the eDiets stockholders have approved it. Also, either company may decide, without the consent of the other, to terminate the Merger Agreement, subject to various conditions, in a number of circumstances. These circumstances include, among others:

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the merger not having been completed by March 31, 2013, which may be extended by mutual written consent of the parties;

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any court or governmental entity issuing a final order or judgment preventing completion of the merger;

.

certain breaches under the Merger Agreement, including breaches of representations and warranties which cannot be timely cured; and

.

upon the receipt of a superior proposal, as defined in the Merger Agreement, and the payment to the other party of up to a $1,000,000 breakup fee.

Summary Consolidated Financial Data of As Seen On TV

The following tables set forth summary consolidated financial information of As Seen On TV. The summary statement of operations data for the six month periods ended September 30, 2012 and September 30, 2011, and the selected balance sheet data as of September 30, 2012 have been derived from As Seen On TV s unaudited consolidated financial statements appearing later in this proxy statement/prospectus. In the opinion of As Seen On TV s management, all adjustments considered necessary for a fair presentation of the interim financial information have been included. The summary income statement data for the years ended March 31, 2012 and March 31, 2011 and the selected balance sheet data as of March 31, 2012 have been derived from As Seen On TV s audited consolidated financial statements, except as noted below. The following information should be read together with As Seen On TV s consolidated financial statements, the notes related thereto and management s related reports on As Seen On TVs financial condition and performance appear later in this proxy statement/prospectus. The operating results for the six months ended September 30, 2012 are not necessarily indicative of the results to be expected in any future period.

(In thousands, except per share data)

	Six Months Ended September 30,				Year Ended March 31,			
	2012		2011		2012		2011	
	(unaudited)							
Statement of operations data								
Total revenue	$	1,038	$	744	$	8,165	$	1,354
Net income (loss)(1)	$	2,185	$	(12,446)	$	(8,077)	$	(6,979)
Basic income(loss) per common share (1)	$	0.07	$	(1.08)	$	(0.40)	$	(0.70)
Diluted income (loss) per common share (1)	$	0.06	$	(1.08)	$	(0.40)	$	(0.70)
Cash dividends declared per common share	$		$		$		$	

(1)

Significant fluctuations in net income or loss were recorded commencing in the year ended March 31, 2011, resulting from the recording of the revaluation of outstanding warrants which are carried as a liability and are marked-to-market each reporting period.

	September 30, 2012		March 31, 2012	
	(unaudited)			
Balance sheet data				
Total assets	$	9,743	$	9,786

Long term obligations	$	40	$

Summary Consolidated Financial Data of eDiets

The following tables set forth summary consolidated financial information of eDiets. The summary statement of operations data for the nine-month periods ended September 30, 2012 and September 30, 2011, and the selected balance sheet data as of September 30, 2012 have been derived from eDiets unaudited consolidated financial statements appearing later in this proxy statement/prospectus. In the opinion of eDiets management, all adjustments considered necessary for a fair presentation of the interim financial information have been included. The summary income statement data for the years ended December 31, 2011 and December 31, 2010 and the summary balance sheet data as of December 31, 2011 have been derived from eDiets audited consolidated financial statements, except as noted below. The following information should be read together with eDiets consolidated financial statements, the notes related thereto and management s related reports on eDiets financial condition and performance appear later in this proxy statement/prospectus. The operating results for the nine-months ended September 30, 2012 are not necessarily indicative of the results to be expected in any future period.

	Nine Months Ended September 30,		Year Ended December 31,	
	2012	2011	2011	2010
	(unaudited)			
Statement of operations data				
Total revenue	$ 15,822	$ 16,482	$ 20,969	$ 20,850
Net loss from continuing operations	$ (2,885)	$ (3,099)	$ (4,745)	$ (37,045)
Net loss	$ (2,503)	$ (2,737)	$ (4,394)	$ (43,273)
Basic and diluted loss per common share from continuing operations	$ (0.20)	$ (0.25)	$ (0.37)	$ (4.00)
Net loss per common share	$ (0.17)	$ (0.22)	$ (0.34)	$ (4.68)
Cash dividends declared per common share	$	$	$	$

	September 30, 2012 (unaudited)		December 31, 2011	
Balance sheet data				
Total assets	$	1,767	$	2,696
Long term obligations	$	204	$	

Equivalent and Comparative Per Share Information

The following tables set forth selected per share information on a historical and pro forma combined basis for As Seen On TV common stock for the six months ended September 30, 2012 and the year ended March 31, 2012, and for eDiets common stock for the six months ended September 30, 2012 and the year ended December 31, 2011. Except for historical information for As Seen On TV as of and for the year ended March 31, 2012 and the historical information for eDiets as of and for the year ended December 31, 2011, the information in the table is unaudited. You should read the table below together with the historical consolidated financial statements and the related notes of As Seen On TV and eDiets contained elsewhere in this proxy statement/prospectus.

The pro forma information, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions (including preliminary allocations of the eDiets purchase price to the tangible and intangible assets acquired from eDiets), does not reflect the impact of possible revenue enhancements or expense efficiencies, among other factors, that could result as a consequence of the merger, and accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had the companies been combined during these periods.

	As Seen On TV Historical		eDiets Historical		Pro Forma Combined	
As of and for the six month period ended September 30, 2012						
Basic net income (loss) per share from continuing operations	$	0.07	$	(0.13)	$	0.01
Diluted net income (loss) per share from continuing operations	$	0.06	$	(0.13)	$	0.01
Cash dividends declared per common share	$		$		$	
As of and for the year ended March 31, 2012						
Basic net income (loss) per share from continuing operations	$	(0.40)	$	(0.34)	$	(0.32)
Diluted net income (loss) per share from continuing operations	$	(0.40)	$	(0.34)		(0.32)
Cash dividends declared per common share	$		$		$	

MARKET PRICE DATA AND DIVIDEND INFORMATION

Shares of As Seen On TV common stock are quoted on the OTC Markets under the symbol ASTV. Shares of eDiets common stock are quoted on the OTC Bulletin Board, or OTCBB, under the symbol DIET. The following table shows the closing sale prices of shares of As Seen On TV common stock and eDiets common stock as reported on the OTC Markets and the OTC Bulletin Board, respectively, on October 26, 2012, the last full trading day prior to the public announcement of the proposed merger, and on [ ], the last practicable trading day prior to mailing this joint proxy statement/prospectus. This table also shows the implied value as of those dates of the merger consideration proposed for each shares of eDiets common stock, which we calculated by multiplying the closing price of a share of eDiets common stock on those dates by the exchange ratio of 1.2667 (based on the 15,060,514 shares of eDiets common stock expected to be outstanding at the Effective Time).

	As Seen On TV Common Stock	eDiets Common Stock	Implied Value of One Share of eDiets Common Stock
October 26, 2012	$0.68	$0.26	$0.86
[ ]	$[ ]	$[ ]	$[ ]

The following table sets forth for the periods indicated the high and low per share sale price of shares of As Seen On TV common stock and eDiets common stock. All information in this table gives pro forma effect to As Seen On TV s 1:20 reverse stock split of its common stock on October 27, 2011.

	As Seen On TV		eDiets	
	High	Low	High	Low
2010				
First Quarter	$ 10.00	$ 10.00	$ 2.00	$ 1.11
Second Quarter	10.20	10.00	1.52	0.68
Third Quarter	10.00	2.00	0.92	0.57
Fourth Quarter	4.00	1.00	0.99	0.46
2011				
First Quarter	$ 25.40	$ 0.80	$ 3.95	$ 1.40
Second Quarter	15.40	1.40	2.98	1.30
Third Quarter	2.10	1.00	1.83	1.02
Fourth Quarter	1.25	0.70	1.34	0.19
2012				
First Quarter	$ 1.05	$ 0.71	$ 0.87	$ 0.32
Second Quarter	1.15	0.60	0.60	0.32
Third Quarter	0.98	0.65	0.58	0.15
Fourth Quarter (through [ ], 2012)	[ ]	[ ]	[ ]	[ ]

As of [ ], 2012, there were approximately [ ] stockholders of record of As Seen On TV common stock (not including the number of persons or entities holding stock in nominee or street name through various brokerage firms).

As of [ ], 2012, there were approximately [ ] stockholders of record of eDiets common stock (not including the number of persons or entities holding stock in nominee or street name through various brokerage firms).

eDiets stockholders are encouraged to obtain current market quotations for shares of As Seen On TV common stock prior to making any decision with respect to the merger. No assurance can be given concerning the market price for shares of As Seen On TV common stock before or after the date on which the merger is consummated. The market price for shares of As Seen On TV common stock will fluctuate between the date of this proxy statement/prospectus and the date on which the merger is consummated and thereafter.

As Seen On TV and eDiets have never paid cash dividends, and currently do not intend to pay cash dividends on As Seen On TV common stock or eDiets common stock at any time in the near future.

RISK FACTORS

The financial statements contained in this proxy statement/prospectus and the related discussion describe and analyze each of As Seen On TV s and eDiets financial performance and condition for the periods indicated and provide pro forma financial information for the companies on a combined basis as if the merger had occurred on April 1, 2012 for the unaudited pro forma condensed combined statement of operations and September 30, 2012 for the unaudited pro forma condensed combined statement of operations. For the most part, this information is historical. As Seen On TV s and eDiets prior results, and the pro forma financials, however, are not necessarily indicative of As Seen On TV s future performance or financial condition following the merger. As Seen On TV and eDiets, therefore, have included the following discussion of certain factors that could affect As Seen On TV s future performance or financial condition following the merger. These factors could cause As Seen On TV s future performance or financial condition after the merger to differ materially from the prior performance or financial condition of As Seen On TV or eDiets or from management s expectations or estimates of As Seen On TV s future performance or financial condition after the merger.

In addition to the other information contained in or incorporated by reference into this proxy statement/prospectus, you should carefully consider the following risk factors in deciding whether to vote for the merger.

Risks Related to the Merger

The combined company will not be able to continue operating without additional financing.

Both eDiets and As Seen On TV have been operating at a loss. As Seen On TV has been operating at a loss since inception and for the nine months ended September 30, 2012, it avoided a net loss due to the revaluation of its outstanding warrants, had an accumulated deficit of approximately $15,084,000 and a cash balance of approximately $992,000 at September 30, 2012. eDiets has been experiencing recurring operating losses and for the nine months ended September 30, 2012, it had a net loss of approximately $2.5 million, an accumulated deficit of $110.3 million and, as of November 17, 2012, an unrestricted cash balance of approximately $0.7 million. In order to continue operating and remain a going concern, the combined company will need to obtain additional financing, either through borrowings, public offerings, private offerings, or some type of business combination (e.g., merger, buyout, etc.), and there can be no assurance that it will be successful in such pursuits. In the past, both companies have actively pursued a variety of funding sources including private offerings and have consummated certain transactions in order to address their respective capital requirements. However, the combined company may not be able to acquire the additional funding necessary to continue operating. Accordingly, if the combined company is unable to generate adequate cash from operations, and if it is unable to find sources of funding, it may be necessary for it to sell one or more lines of business or all or a portion of its assets, enter into a business combination, reduce or eliminate operations, liquidate assets, or seek relief through a filing under the U.S. Bankruptcy Code. These possibilities, to the extent available, may be on terms that result in significant dilution to the combined company s existing stockholders or that result in its existing stockholders losing all of their investment in the combined company.

As Seen On TV s stock price is volatile and the value of the As Seen On TV common stock issued in the merger will depend on its market price at the time of the merger; exchange ratio is fixed.

Under the Merger Agreement, the exchange ratio used to determine the number of shares of As Seen On TV s common stock that eDiets stockholders will receive is unaffected by the share price of As Seen On TV s common stock as reflected on the OTC Markets. Increases in the value of As Seen On TV s common stock will result in a higher price being paid by As Seen On TV for eDiets common stock and more value received by eDiets stockholders in the merger. Decreases in the value of As Seen On TV s common stock will result in a lower price being paid by As Seen On TV for eDiets common stock and less value received by eDiets stockholders in the merger. It is likely that you will not know the value of As Seen On TV s common stock to be issued in the merger at the time of the eDiets special meeting of stockholders.

The value of the shares being issued in the merger may be less than you expect due to the number of outstanding As Seen On TV options and warrants and the price protection and anti-dilution agreements to which As Seen On TV is subject.

In the merger, As Seen on TV will be issuing 19,077,252 shares of As Seen on TV common stock. This number of shares is fixed and does not vary based on the number of shares of eDiets nor of As Seen On TV that are outstanding at the Effective Time. Based on the 15,060,514 shares of eDiets expected to be outstanding at the Effective Time (which includes the 749,980 shares of eDiets common stock that eDiets expects to issue to its consultant as compensation for services provided in the Merger) and the 44,882,650 shares of As Seen on TV common stock outstanding as of the date of this proxy statement/prospectus, the eDiets stockholders would own an aggregate of [ ]% of the shares outstanding as of the

Effective Time and [ ]% on a fully-diluted basis. The fully diluted percentage is based on the following number of options and warrants outstanding as of December 14, 2012: (i) warrants to purchase approximately 66,594,517 shares of common stock at an exercise prices ranging from $0.595 to $10.00 per share and (ii) options to purchase 3,130,000 shares of common stock at exercise prices ranging from $0.82 to $2.20 per share. However, the fully diluted ownership percentage does not take into consideration (A) additional options and warrants that may be issued between December 14, 2012 and the Effective Time, (B) the additional shares that may be issuable pursuant to price protection agreements that As Seen On TV has in place (obligations to issue additional shares for no additional consideration if future shares are issued or if future shares are issued below a certain price) or (C) anti-dilution provisions agreements that As Seen On TV has in place (obligations to adjust the number of shares and/or exercise price applicable to outstanding warrants or options).

The exercise of outstanding warrants and options and the sale of the underlying common stock, or even the potential of such conversion or exercise and sale, may have a depressive effect on the market price of the combined company s securities and will cause dilution to its stockholders. In addition, if the As Seen On TV were to issue shares in the future the price protection agreements and the anti-dilution agreements could exacerbate the dilutive impact of any future issuance. Dilution could create significant downward pressure on the trading price of the combined company s common stock if the conversion or exercise of these securities encouraged short sales. The perception of eventual sales of common shares issued on the conversion of these securities could lead to a decline in the trading price of the combined company s common stock.

As Seen On TV has advanced eDiets $2.0 million as of December 14, 2012 under unsecured promissory notes and in the event that the Merger Agreement is terminated, eDiets may not have available capital to satisfy the notes.

As of December 14, 2012 As Seen On TV has advanced eDiets $2.0 million. The advances, while senior to other eDiets debt, are unsecured. In the event that the Merger Agreement is terminated, eDiets may not satisfy the advances. In the event eDiets fails to repay the notes and As Seen On TV decides to convert the notes into eDiets common stock, the conversion price of the notes may be higher than the market price of the eDiets common stock. See Risks Related to eDiets Business below.

Under the Merger Agreement, neither As Seen On TV nor eDiets will have the right to terminate or renegotiate the Merger Agreement or to resolicit proxies as a result of any increase or decrease in the value of As Seen On TV s outstanding common stock.

The market price of As Seen On TV s common stock has been and may continue to be volatile. The trading volume and number of shares available in the public float has traditionally not been high, which impacts the volatility of the As Seen On TV common stock. Under the Merger Agreement, neither As Seen On TV nor eDiets will have the right to terminate or renegotiate the Merger Agreement or to resolicit proxies as a result of any increase or decrease in the value of As Seen on TV s outstanding common stock. Prior to the Effective Time, the market price of As Seen On TV stock may fluctuate significantly and decrease in response to various factors, including without limitation:

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quarterly variations in operating results;

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the announcement of management changes;

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general market conditions in each company s respective industry;

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announcements and actions by competitors;

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limited trading volume of As Seen On TV s securities on the OTC Markets;

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regulatory and judicial actions; and

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general economic conditions.

In addition, as a result of the number of shares to be issued in the merger, and the potential dilution of As Seen On TV s earnings per share, the price of As Seen On TV s common stock is likely to continue to be volatile following the merger.

As Seen On TV s common stock has low trading volume and any sale of a significant number of shares is likely to depress the trading price.

As Seen On TV s common stock is quoted on the OTC Markets. Traditionally, the trading volume of the common stock has been limited. Because of this limited trading volume, the former eDiets stockholders may not be able to sell quickly any significant number of the As Seen On TV shares, and any attempted sale of a large number of As Seen On TV shares will likely have a material adverse impact on the price of the As Seen On TV common stock. Because of the limited number of shares being traded, the per share price is subject to volatility and may continue to be subject to rapid price swings in the future.

As Seen On TV may fail to realize the anticipated benefits of the merger.

The success of the merger will depend, in part, on As Seen On TV s ability to realize the anticipated growth opportunities and synergies from combining As Seen On TV and eDiets. The integration of As Seen On TV and eDiets will be a time consuming and expensive process and may disrupt their operations if it is not completed in a timely and efficient manner. In addition, As Seen On TV may not achieve anticipated synergies or other benefits of the merger. Following the merger, As Seen On TV and eDiets must operate as a combined organization utilizing common information and communication systems, operating procedures, financial controls and human resources practices. The combined company may encounter the following difficulties, costs and delays involved in integrating these operations:

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failure to integrate As Seen On TV s and eDiets businesses and operations;

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failure to successfully manage relationships with customers and other important relationships;

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failure of customers to continue using the services of the combined company;

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difficulties in successfully integrating the management teams and employees of As Seen On TV and eDiets;

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challenges encountered in managing larger operations;

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the loss of key employees;

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failure to manage the growth and growth strategies of As Seen On TV and eDiets;

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diversion of the attention of management from other ongoing business concerns;

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potential incompatibility of technologies and systems;

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potential impairment charges incurred to write down the carrying amount of intangible assets generated as a result of the merger; and

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potential incompatibility of business cultures.

If the combined company s operations after the merger do not meet the expectations of existing customers of As Seen On TV and eDiets, then these customers may cease doing business with the combined company altogether, which would harm its results of operations and financial condition.

If the management team is not able to develop strategies and implement a business plan that successfully addresses these difficulties, As Seen On TV may not realize the anticipated benefits of the merger. In particular, As Seen On TV is likely to realize lower earnings per share, which may have an adverse impact on As Seen On TV and the market price of its common stock.

Costs associated with the merger are difficult to estimate, may be higher than expected and may harm the financial results of the combined company.

Both eDiets and As Seen On TV will incur substantial direct transaction costs associated with the merger and additional costs associated with consolidation and integration of operations. If the total costs of the merger exceed estimates, or the benefits of the merger do not exceed the total costs of the merger, As Seen On TV s consolidated financial results could be adversely affected.

The merger may result in disruption of As Seen On TV s and eDiets existing businesses, distraction of their management and diversion of other resources.

The integration of As Seen On TV s and eDiets businesses may divert management time and resources from the main businesses of both companies. This diversion of time and resources could cause the market price of As Seen On TV s common stock to decrease. The new management will need to spend some of their time integrating eDiets and As Seen On TV s operations. This could cause the combined company s business to suffer.

Failure to complete the merger could negatively impact eDiets and As Seen On TV s stock price and future operations.

If the merger is not completed for any reason, eDiets and As Seen On TV may each be subjected to a number of material risks. The price of eDiets and As Seen On TV common stock may decline to the extent that the current market prices of eDiets and As Seen On TV common stock reflect a market assumption that the merger will be completed. Some costs related to the merger, such as legal, accounting, filing, printing and mailing, must be paid and expended even if the merger is not completed. In addition, if the merger is not completed and eDiets or As Seen On TV s board of directors determines to seek another merger or business combination, there can be no assurance that either board of directors will be able to find a partner willing to agree to more attractive terms than those which have been negotiated for in the merger.

Any delay in completion of the merger may significantly reduce the benefits expected to be obtained from the merger.

In addition to eDiets stockholder approval, the merger is subject to a number of other conditions beyond the control of As Seen On TV and eDiets that may prevent, delay or otherwise materially adversely affect its completion. See The Merger Agreement Conditions Precedent to Each Party s Obligations to Effect the Merger starting on page [ ]. As Seen On TV and eDiets cannot predict whether or when these other conditions will be satisfied. Any delay in completing the merger may significantly reduce the synergies and other benefits that As Seen On TV and eDiets expect to achieve if they successfully complete the merger within the expected timeframe and integrate their respective businesses.

Some of As Seen On TV s and eDiets directors and officers have a conflict of interest.

In considering the recommendation of As Seen On TV s and eDiets board of directors to vote for the proposal to adopt the Merger Agreement and approve the merger, you should be aware that members of As Seen On TV s and eDiets board of directors and officers of each company have interests in the merger that differ from your interests. These interests may create potential conflicts of interests for these directors and officers in the future. Both As Seen On TV s board of directors and eDiets board of directors were aware of each of these interests when they considered and adopted the Merger Agreement.

These interests include the following:

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as of December 14, 2012, directors and executive officers of As Seen On TV and their affiliates beneficially owned approximately 12% of the outstanding shares of As Seen On TV common stock, excluding exercise of stock options and warrants, and directors and executive officers of eDiets and their affiliates beneficially owned approximately

73.4% of the outstanding shares of eDiets common stock;

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all of the eDiets employee stock options expected to be outstanding at the Effective Time will represent the right to receive shares of As Seen On TV common stock based on the exchange ratio and shall immediately vest at the Effective Time, including all of the options held by certain officers and directors of eDiets;

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Kevin Richardson II, the current Chairman of eDiets, and a nominee by Mr. Richardson will join the As Seen On TV board of directors on the Effective Time;

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Kevin Richardson and Lee Isgur, a current director of eDiets, shall (1) convert outstanding eDiets promissory notes in the aggregate principal amount of $600,000 into an aggregate 857,143 shares of As Seen On TV common stock and warrants to purchase an aggregate of 428,571 shares of As Seen On TV common stock exercisable at $0.80 per share; (2) extend the maturity dates on remaining aggregate principal amounts held by Mr. Richardson and Mr. Isgur together with accrued interest from December 31, 2012 to June 30, 2013.

The former principal stockholders, officers and directors of eDiets after the merger will own a substantial interest in As Seen On TV s common stock.

Upon completion of the merger, eDiets former officers, directors and stockholders who held greater than 5% of the voting power of eDiets common stock will, in the aggregate, beneficially own approximately [ ]% of As Seen On TV s outstanding common shares, before the exercise of any options or warrants or the conversion of convertible notes. As a result, these stockholders, acting together, will have the ability to substantially influence the outcome of matters submitted to As Seen On TV s stockholders for approval, including:

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election of the board of directors;

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removal of any of the directors;

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amendment of the certificate of incorporation or by-laws; and

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adoption of measures that could delay or prevent a change in control or impede a merger, takeover or other business combination involving As Seen On TV.

These stockholders will have substantial influence over the management and affairs of As Seen On TV. Accordingly, this concentration of ownership may have the effect of impeding a merger, consolidation, takeover or other business consolidation involving As Seen On TV, or discouraging a potential acquirer from making a tender offer for its shares which would prevent stockholders from realizing the benefits of the transaction, such as a purchase price premium or significant increase in stock price.

The market price of As Seen On TV common stock may decline as a result of the merger.

The market price of As Seen On TV common stock may decline as a result of the merger if the integration of the eDiets and As Seen On TV s businesses is unsuccessful or if the costs of implementing the integration are greater than expected. The market price also may decline if As Seen On TV does not achieve the perceived benefits of the merger as rapidly or to the extent anticipated by financial or industry analysts or if the effect of the merger on As Seen On TV s financial results is not consistent with the expectations of financial or industry analysts.

The Merger Agreement contains provisions that could discourage a potential competing acquiror that might be willing to pay more to acquire eDiets or that may be willing to acquire As Seen On TV.

The Merger Agreement contains no shop provisions that restrict As Seen On TV s and eDiets ability to solicit or facilitate proposals regarding a merger or similar transaction with another party. Further, there are only limited exceptions to As Seen On TV s or eDiets agreement that their respective board of directors will not withdraw or adversely qualify its recommendation regarding the Merger Agreement. Although each of the As Seen On TV and eDiets board of directors are permitted to terminate the Merger Agreement in response to a superior proposal if they determine that a failure to do so would be inconsistent with their fiduciary duties, its doing so would entitle the other party to collect a termination fee up to $1,000,000. These provisions are described under The Merger Agreement Termination of the Merger Agreement starting on page [ ] and Effects of Termination; Payment of Expenses on page [ ]. These provisions could discourage a potential competing acquiror from considering or proposing acquisition, even if it were prepared to pay consideration with a higher value than that proposed to be paid in the merger, or might result in a potential competing acquiror proposing to pay a lower per share price than it might otherwise have proposed to pay because of the added expense of the termination fee.

Both eDiets and As Seen On TV are currently defendants in a lawsuit that seeks to enjoin the merger. This proceeding could delay or prevent the merger from being consummated in the anticipated time frame or at all.

A class action lawsuit was filed by a stockholder of eDiets against it and certain of its officers and directors and As Seen On TV. The complaint alleges breaches of fiduciary duties in connection with the proposed merger with As Seen On TV, and seeks injunctive relief against consummation of the merger. These proceedings could result in a delay in the consummation of the merger, which could have an adverse impact on the stock prices, operations, and disrupt the businesses of eDiets and As Seen On TV and could result in legal and other expenses that would adversely affect the liquidity and results of operations of both companies. Furthermore, if this lawsuit is successful, the merger may be prevented from being consummated at all.

Risks Related to As Seen On TV s Business

As Seen On TV may never achieve or sustain profitability.

As Seen On TV may continue to incur losses as it attempts to develop and expand its operations and to market and sell its products. From inception, As Seen On TV has operated at a loss and at September 30, 2012, it had an accumulated deficit of approximately $15,083,000. No assurance can be given that As Seen On TV will achieve or sustain profitability. As a result of its limited operating history and the nature of the market in which it competes, it is difficult to forecast revenues or earnings accurately. No assurance can be given that As Seen On TV will be successful in accomplishing its goals or that it will generate sufficient revenue to become profitable or to sustain profitability.

As Seen On TV has operated at a loss since inception and it cannot anticipate with any degree of certainty what its revenues will be in future periods.

At September 30, 2012, As Seen On TV had a cash balance of approximately $992,000, a working capital deficit of $16,654,065 and an accumulated deficit of approximately $15,084,000. Substantially all of the cash balance was due to the completion of a series of private placements beginning in May 2011. However, since inception, As Seen On TV has continued to operate at a loss. Its ability to generate future revenues will depend on a number of factors, many of which are beyond its control. These factors include the rate of market acceptance of its products, competitive efforts, and general economic trends. Due to these factors, As Seen On TV cannot anticipate with any degree of certainty what its revenues will be in future periods. You have limited historical financial data and operating results with which to evaluate its business and prospects. As a result, you should consider its prospects of As Seen On TV in light of the early stage of its business in a new and rapidly evolving market.

As Seen On TV has failed to satisfy registration rights provisions under a 2010 private placement and is obligated to make pro rata payments to the subscribers of the 2010 private placement in an amount equal to the aggregate amount of $156,000.

Under the terms of a private placement conducted in 2010, As Seen On TV provided that it would use its best reasonable effort to cause a registration statement to become effective within 180 days of the termination date of the offering. As Seen On TV has failed to comply with the registration rights provision and are obligated to make pro rata payments to the subscribers under the private placement in an amount equal to the aggregate amount of $156,000.

Uncertain general economic conditions in the United States could adversely affect As Seen On TV.

As Seen On TV is subject to the risks arising from adverse changes in general economic market conditions or any failure of the U.S. economy to recover from its recent recession. The U.S. economy remains extremely sluggish as it seeks to recover from a severe recession. The U.S. economy continues to suffer from market volatility, difficulties in the financial services sector, tight credit markets, softness in the housing markets, concerns of inflation, reduced corporate profits and capital spending, significant job losses, reduced consumer spending, and continuing economic uncertainties. The uncertainty about future economic conditions could negatively impact its current and prospective customers, including those in the direct response markets, adversely impact its expenses and ability to obtain financing of its operations, cause delays or other problems with key suppliers and increase the risk of counterparty failures. As Seen On TV cannot predict the timing, strength or duration of this severe global economic downturn or subsequent recovery. Consumer spending in the United States has been, and is expected to continue to be, negatively affected by these economic trends which, in turn, will negatively impact its results of operations. Furthermore, the uncertainty about future economic conditions could negatively affect its ability to obtain financing, which As Seen On

TV will require to fund its operations in the event it does not increase its revenues.

As Seen On TV operations are subject to the general risks of the direct response television industry including, but not limited to product liability claims, which could exceed its insurance coverage.

As Seen On TV operations could be impacted by both genuine and fictitious claims regarding products it markets. Although primarily all of the consumer products As Seen On TV markets are not its property, As Seen On TV could potentially suffer losses from a significant product liability judgment against it. A significant product liability judgment could also result in a loss of consumer confidence in its products and furthermore an actual or perceived loss of value of its brand, materially impacting consumer demand. Although As Seen On TV carries a limited amount of product liability insurance, the amount of liability from product liability claims may exceed the amount of any insurance proceeds received by it. Furthermore, As Seen On TV relies upon trademark, copyright and trade secret laws to protect its proprietary rights, which might not provide adequate protection. If As Seen On TV should be required to pay a product liability claim in excess of its insurance coverage, its working capital would be adversely impacted in future periods.

As Seen On TV business is subject to a variety of laws, rules and regulations that could subject it to claims or otherwise harm its business.

Government regulation of direct response, internet and e-commerce is evolving and unfavorable changes could substantially harm its business and results of operations. As Seen On TV is subject to a variety of laws, including the Mail or Telephone Order Merchandise Rule and related regulations of the Federal Trade Commission. These regulations prohibit unfair methods of competition and unfair or deceptive acts or practices in connection with mail and telephone order sales and require sellers of mail and telephone order merchandise to conform to certain rules of conduct with respect to shipping dates and shipping delays. As Seen On TV is also subject to regulations of the U.S. Postal Service and various state and local consumer protection agencies relating to matters such as advertising, order solicitation, shipment deadlines and customer refunds and returns. In addition, imported merchandise is subject to import and customs duties and, in some cases, import quotas. The failure to comply with any of these laws, rules or regulations may subject it to consumer claims or result in delays in marketing products or changes in product marketing, which may reduce its revenues, increase its expenses and adversely affect its profitability.

As Seen On TV, Inc. is not affiliated with any of the As Seen On TV or Seen On TV retail stores and As Seen On TV and Seen On TV are not subject to trademark protection and therefore have been, and will continue to be used by third parties, including online and retail applications with no connections, nor benefits, to As Seen On TV, Inc.

As Seen On TV, Inc. is not affiliated with any of the As Seen On TV or Seen on TV retail stores. While the company relies on As Seen On TV and Seen On TV for name recognition and marketing, such terms are not subject to trademark registration or common law protection. Therefore, its competitors have, and will continue, to use such terms in the market. The inability to register the terms may subject As Seen On TV to negative public perception in the event that one of its competitors sells or distributes a negatively received product under an As Seen On TV or Seen On TV label. Furthermore, the inability to register As Seen On TV or Seen On TV may prevent it from developing a unique brand that exclusively benefits the company.

As Seen On TV relies upon trademark, copyright and trade secret laws to protect its proprietary rights, which might not provide adequate protection.

As Seen On TV success and ability to compete depends to a significant degree upon the protection of intellectual property rights, including without limitation its trademarks, trade names and trade secrets. It has applied for registration of the trademark TVGoods , Kevin Harington and TruHair by Chelsea Scot and has been granted registration for PITCH TANK® mark. While As Seen On TV intends to jointly hold intellectual property rights on products it develops with third parties, it may not be successful in protecting intellectual property rights. It relies on trademark, copyright and trade secret laws, each of which affords only limited protection. Its inability to protect intellectual property rights could seriously harm its business, operating results and financial condition.

Claims that As Seen On TV infringes upon third parties intellectual property rights could be costly to defend or settle.

From time to time, As Seen On TV may encounter disputes over rights and obligations concerning intellectual property. Such claims may be with or without merit. Any litigation to defend against claims of infringement or invalidity could result in substantial costs and diversion of resources. Furthermore, a party making such a claim could secure a judgment awarding substantial damages. A judgment could also include an injunction or other court order that could prevent As Seen On TV from selling products. Its business, operating results and financial condition would be harmed if any of these events occurred. As Seen On TV could incur substantial costs in its defense against infringement claims. In the event of a claim of infringement, it might be required to obtain one or more licenses from third parties. It might be unable to obtain necessary licenses from third parties at a reasonable cost, if at all. Defense of any lawsuit or failure to obtain any such required licenses could harm its business, operating results and financial condition.

As Seen On TV depends on the services of its Chairman.

The success of As Seen On TV largely depends on the efforts, reputation and abilities of Kevin Harrington. TV Goods was established by Kevin Harrington to leverage the exposure from his appearance as an investor on the ABC reality television series, the *Shark Tank*. While As Seen On TV carries $3 million of key man life insurance on Mr. Harrington, the loss of the services of Mr. Harrington could materially harm its business.

Failure to retain and attract qualified personnel could harm As Seen On TV business.

Aside from Mr. Harrington, As Seen On TV success depends on its ability to attract, train and retain qualified personnel. Competition for qualified personnel is intense and it may not be able to hire sufficient personnel to support the anticipated growth of its business. If As Seen On TV fails to attract and retain qualified personnel, its business will suffer.

As Seen On TV may have difficulty managing any future growth.

While As Seen On TV may need to grow rapidly to implement its business objectives; brisk growth would lead to increased responsibility for both existing and new management personnel. In an effort to manage such growth, As Seen On TV must maintain and enhance its financial and accounting systems and controls, hire and integrate new personnel and manage expanded operations. Despite systems and controls, growth is expected to place a significant strain on its management systems and resources. It will need to continue to improve its operational, managerial and financial controls, reporting systems and procedures, and will need to continue to expand, train and manage its work force. Failure to manage its future growth would have a material adverse effect on the quality of its operations, ability to retain customers and key personnel and operating results and financial condition.

As Seen On TV may not be successful in finding or marketing new products.

As Seen On TV business operations and financial performance depends on the ability to attract and market new products on a consistent basis. In the direct marketing industry, the average product life cycle varies from six months to four years, based on numerous factors, including competition, product features, distribution channels utilized, cost of goods sold and effectiveness of advertising. Less successful products have shorter life cycles. The majority of products are submitted by inventors. There can be no assurance that As Seen On TV will be successful in acquiring rights to quality products. It selects new products based upon management s expertise and limited market studies. As a result, it needs to acquire the rights to quality products with sufficient margins and consumer appeal to justify the acquisition costs. There can be no assurance that chosen products will generate sufficient revenues to justify the acquisition and marketing costs.

As Seen On TV financial performance is dependent on the disproportionate success of a small group of products.

As Seen On TV business and results of operations are dependent on the disproportionate success of a small group of products, which it does not produce or manufacture. It is likely that the majority of the products it markets may fail to generate sufficient revenues. Furthermore it is likely it will market more products which fail to generate significant revenues as opposed to products which generate significant revenues. As Seen On TV sales and profitability will be adversely affected if it is unable to develop a sufficient number of successful products.

As Seen On TV financial performance may be harmed if unfavorable economic conditions adversely affect consumer spending.

As Seen On TV success depends to a significant extent upon a number of factors relating to discretionary consumer spending, including economic conditions affecting disposable consumer income such as employment, business conditions, taxation and interest rates. Other events that adversely affect the economy may diminish consumer spending. There can be no assurance that consumer spending will not be affected by adverse economic conditions, thereby adversely affecting its business, financial condition and results of operations.

As Seen On TV faces competition from many other types of companies for customers.

As Seen On TV faces significant competition within each merchandise category. The markets for its merchandise are highly competitive, and the recent growth in these markets has encouraged the entry of many new competitors as well as increased competition from established companies. There are no significant barriers to entry in the direct marketing industry. Competitors include large and small retailers, other direct marketing companies, including some with direct response television programs. Furthermore, established brick-and-mortar retail competitors have recently made efforts to sell products through direct response marketing methods. Many of these competitors are larger and have significantly greater financial, marketing and other resources. Increased direct response marketing programs may adversely affect response rates to As Seen On TV direct response television marketing efforts, which would directly affect margins. Its failure to compete successfully would materially and adversely affect its financial condition and results of operations.

As Seen On TV may not be able to respond in a timely and cost effective manner to changes in consumer preferences.

As Seen On TV merchandise is subject to changing consumer preferences. A shift in consumer preferences away from the merchandise it offers could have a material adverse effect on its financial condition and results of operations. Future success depends in part on its ability to anticipate and respond to changes in consumer preferences and there can be no assurance that it will respond in a timely or effective manner. Failure to anticipate and respond to changing consumer preferences could lead to, among other things, lower sales of products, significant markdowns or write-offs of inventory, increased merchandise returns and lower margins, which would have a material adverse effect on its financial condition and results of operations.

As Seen On TV business would be harmed if manufacturers and service providers are unable to deliver products or provide services in a timely and cost effective manner.

As Seen On TV entered into an agreement with Presser Direct, LLC to provide it with a line of space heaters in the future. During the year ended March 31, 2012, the company recorded sales of the Living Pure line of heaters of approximately $5,168,000 representing 63% of total revenues for year. There are nominal revenues for the six months ended September 30, 2012. It does not have any other long-term contracts with manufacturers, supplies or other service providers. As Seen On TV does not produce or manufacture products it markets. In addition, it utilizes third party companies to fulfill consumer orders and provide telemarketing services. If any manufacturers or suppliers are unable, either temporarily or permanently, to manufacture or deliver products or provide services in a timely and cost effective manner, it could have an adverse effect on As Seen On TV financial condition and results of operations.

Disruption in As Seen On TV s ability to fulfill orders would harm As Seen On TV financial performance.

As Seen On TV s ability to provide effective customer service and efficiently fulfill orders for merchandise depends, to a large degree, on the efficient and uninterrupted operation of the manufacturing and related call centers, distribution centers, and management information systems run by third parties. Furthermore it is dependent on the timely performance of other third party shipping companies. Any material disruption or slowdown in manufacturing, order processing or fulfillment systems resulting from strikes or labor disputes, telephone down times, electrical outages, mechanical problems, human error or accidents, fire, natural disasters, adverse weather conditions or comparable events could cause delays in its ability to receive and fulfill orders and may cause orders to be lost or to be shipped or delivered late. As a result, these disruptions could adversely affect its financial condition or results of operations.

As Seen On TV may experience merchandise returns or warranty claims in excess of its expectations.

Actual merchandise returns and warranty claims may exceed allowances. Any significant increase in merchandise returns or warranty claims would adversely affect its financial condition and results of operations.

Ineffective media purchases may inhibit As Seen On TV s ability to sell products, build customer awareness and brand loyalty.

As Seen On TV purchases direct response television programming on cable and broadcast networks, network affiliates and local stations. Significant increases in the cost of media time or significant decreases in the available access to media could adversely affect its financial condition and results of operations.

As Seen On TV may need additional capital, which, if obtained, could result in dilution or significant debt service obligations. It may not be able to obtain additional capital on commercially reasonable terms, which could adversely affect liquidity and financial position.

As Seen On TV may require additional cash resources; and may seek to increase its cash reserves through the sale of additional equity or debt securities. The sale of convertible debt securities or additional equity securities could result in additional dilution to shareholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict its operations and liquidity. In addition, its ability to obtain additional capital on acceptable terms is subject to a variety of uncertainties. As Seen On TV cannot assure you that financing will be available in amounts or on terms acceptable to it, if at all. Any failure to raise additional funds on favorable terms could have a material adverse effect on As Seen On TV s liquidity and financial condition.

Because the market for As Seen On TV s common stock is limited, persons who purchase its common stock may not be able to resell their shares at or above the purchase price paid for them.

As Seen On TV common stock trades on the OTC Markets which is not a liquid market. There is currently only a limited public market for its common stock. The company cannot assure you that an active public market for its common stock will develop or be sustained in the future. If an active market for its common stock does not develop or is not sustained, the price may continue to decline.

Because As Seen On TV is subject to the penny stock rules, brokers cannot generally solicit the purchase of its common stock which adversely affects its liquidity and market price.

The SEC has adopted regulations which generally define penny stock to be an equity security that has a market price of less than $5.00 per share, subject to specific exemptions. The market price of As Seen On TV common stock on the OTC Markets has been substantially less than $5.00 per share and it does not meet any of the other rule exclusions, and therefore it is currently considered a penny stock according to SEC rules. This designation requires any broker-dealer selling these securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities.

Due to factors beyond As Seen On TV s control, its stock price may be volatile.

Any of the following factors could affect the market price of As Seen On TV s common stock:

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Failure to increase revenue in each succeeding quarter;

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Failure to achieve and maintain profitability;

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The loss of distribution relationships;

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The sale of a large amount of common stock by its shareholders;

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Announcement of a pending or completed acquisition or failure to complete a proposed acquisition;

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Adverse court ruling or regulatory action;

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Failure to meet financial analysts performance expectations;

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Changes in earnings or loss estimates and recommendations by financial analysts;

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Changes in market valuations of similar companies;

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Short selling activities;

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Announcement of a change in the direction of its business;

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Actual or anticipated variations in quarterly or in forecasted results of operations; or

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Announcements by As Seen On TV, or its competitors, of significant contracts, acquisitions, commercial relationships, joint ventures or capital commitments.

In the past, following periods of volatility in the market price of a company s securities, securities class action litigation has often been instituted. A securities class action suit against it could result in substantial costs and divert its management s time and attention, which would otherwise be used to benefit its business.

Because As Seen On TV may not be able to attract the attention of major brokerage firms, it could have a material impact upon the price of its common stock.

It is not likely that securities analysts of major brokerage firms will provide research coverage for As Seen On TV common stock since a firm itself cannot recommend the purchase of its common stock under the penny stock rules referenced in an earlier risk factor. The absence of such coverage limits the likelihood that an active market will develop for As Seen On TV common stock.

Shares eligible for sale or convertible into shares in the future could negatively affect As Seen On TV stock price and dilute shareholders.

The market price of As Seen On TV s common stock could decline as a result of sales of a large number of shares of its common stock or the perception that these sales could occur. This might also make it more difficult for it to raise funds through the issuance of securities. As of December 14, 2012, As Seen On TV had 44,882,650 issued and outstanding shares of common stock. As Seen On TV may also issue and/or register additional shares, options, or warrants in the future in connection with acquisitions, compensation or otherwise. As Seen On TV cannot predict what effect, if any, market sales of shares held by any stockholder or the availability of these shares for future sale will have on the market price of its common stock.

The exercise of the warrants and options will result in dilution to existing shareholders and could negatively affect the market price for As Seen On TV common stock.

At December 14, 2012, As Seen On TV has outstanding warrants to purchase an aggregate of 66,594,517 shares of common stock exercisable at various prices and options to purchase an aggregate of 3,130,000 shares of common stock exercisable at various prices. If all the warrants and options are exercised, based on 44,882,650 shares of common stock issued and outstanding as of December 14, 2012, its issued and outstanding shares would increase by over 225%. In the event that a market for its common stock develops, to the extent that holders of its warrants and options exercise such convertible securities, its existing shareholders will experience dilution to their ownership interest in As Seen On TV. In addition, to the extent that holders of convertible securities convert such securities and then sell the underlying shares of common stock in the open market, its common stock price may decrease due to the additional shares in the market.

The purchase price protection features of As Seen On TV s securities issued under its securities purchase agreement dated October 28, 2011 and November 14, 2012 could require As Seen On TV to issue a substantially greater number of shares of common stock, which will cause dilution to As Seen On TV s stockholders.

Under a securities purchase agreement effective October 28, 2011 and securities purchase agreement effective November 14, 2012, purchasers may receive additional shares of common stock in the event As Seen On TV issues additional securities, at an effective price per share that is less than the initial issuance price of the shares under the respective securities purchase agreement. These warrants also contain provisions entitling the holders of such warrants to cashless exercise rights in the event As Seen On TV fails to register the underlying shares of common stock at or prior to the time the warrants are exercised. In addition, if at any time while the warrants are outstanding As Seen On TV issues securities at an effective price per share less than the exercise price of the respective warrants, then, subject to certain exempt issuances (including the merger) the exercise price of the warrants may be reduced to such discounted price.

The change in value of its derivative liabilities could have a material effect on As Seen On TV s financial results.

In connection with its recent financings As Seen On TV has issued a significant number of warrants and other securities that each contain derivative liabilities. At each of its financial reporting periods, As Seen On TV is required to determine the fair value of such derivatives and record the fair value adjustments as non-cash unrealized gains or losses. The share price of its common stock represents the primary underlying variable that impacts the value of the derivative instruments. Additional factors that impact the value of the derivative instruments include the volatility of its stock price, its credit rating, discount rates, and stated interest rates. Due to the volatile nature of its share price, As Seen On TV expects that it will recognize non-cash gains or losses on its derivative instruments each reporting period and that the amount of such gains or losses could be material.

The issuance of preferred stock could change control of As Seen On TV.

As Seen On TV s articles of incorporation authorize its board of directors, without approval of its stockholders, to cause shares of preferred stock to be issued in one or more series, with the numbers of shares of each series to be determined by the board of directors. Its articles of incorporation further authorize the board to fix and determine the powers, designations, preferences and relative, participating, optional or other rights (including, without limitation, voting powers, preferential rights to receive dividends or assets upon liquidation, rights of conversion or exchange into common stock or preferred stock of any series, redemption provisions and sinking fund provisions) between series and between the preferred stock or any series thereof and the common stock, and the qualifications, limitations or restrictions of such rights. In the event of issuance, preferred stock could be used, under certain circumstances, as a method of discouraging, delaying or preventing a change of control of As Seen On TV. Although As Seen On TV has no present plans to issue any series or shares of preferred stock, it can give no assurance that it will not do so in the future.

Risks Related to eDiets Business

eDiets has experienced recurring operating losses and its liquidity has been significantly reduced, and it expects to continue incurring losses in the future.

For the year ended December 31, 2011, eDiets had a net loss of $4.4 million and used $3.5 million of cash in operations. For the nine-months ended September 30, 2012, eDiets had a net loss of approximately $2.5 million and used approximately $1.1 million of cash in operations. As of September 30, 2012, eDiets had an accumulated deficit of $110.3 million and a total stockholders deficit of $3.5 million. As of December 31, 2011 and November 17, 2012 eDiets had unrestricted cash of $0.6 million and $0.7 million, respectively. eDiets may not achieve profitability in the future, and even if it does, eDiets may not be able to sustain being profitable.

Due to uncertainty about its ability to meet current operating expenses and capital expenditures, in their report on its annual financial statements for the year ended December 31, 2011, eDiets independent registered public accounting firm included an explanatory paragraph in their opinion regarding eDiets ability to continue as a going concern. If eDiets is unable to consummate the merger on a timely basis it is unlikely that it will be able to continue as a going concern and its stockholders will likely lose all of their investment in eDiets.

eDiets cannot continue its operations without additional funds and it will be required to raise additional funds to finance its operations and remain a going concern; it may not be able to do so when necessary, and/or the terms of any financings may not be advantageous to eDiets.

eDiets currently anticipates that it will need at least $[2.0] million in funds to continue operations through the upcoming diet season, which funds it did not have as of October 26, 2012. As of October 26, 2012, it did not have the resources necessary to pay in full the following: obligations under the Director Notes due December 31, 2012, accounts payable and other debt obligations. As of October 26, 2012, eDiets had accounts payable totaling $2.2 million, of which $1.9 million were past due.

The continuation of eDiets business is dependent upon raising additional financial support. In light of eDiets results of operations, its ability to raise additional financing has been severely limited. eDiets has received $2.0 million in funding from As Seen On TV as of December 14, 2012 and, pursuant to the Merger Agreement, As Seen On TV has agreed to provide $750,000 additional funding. However, that funding may not be sufficient to fund operations until consummation of the merger. If those funds are not sufficient, management may seek to raise additional capital through the issuance of common or preferred stock, securities convertible into common stock, or secured or unsecured debt. However, the terms of the Merger Agreement limit eDiets ability to issue any of these types of securities and therefore eDiets would need to seek prior consent of As Seen On TV. These possibilities, to the extent available, may be on terms that result in significant dilution to eDiets existing stockholders or that result in existing stockholders losing all of their investment in eDiets.

There can be no assurances that eDiets will be successful in raising adequate additional financial support to sustain its operations through the consummation of the merger. If not, eDiets will be required to reduce operations and/or liquidate assets and/or seek relief through a filing under the U.S. Bankruptcy Code. eDiets consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should eDiets be unable to continue as a going concern.

eDiets has no long-term credit facility or other source of long-term funding other than $1.0 million in Notes held by a former officer and directors of eDiets (the Director Notes), and as of September 30, 2012, eDiets had

approximately $0.1 million in accrued interest on the Director Notes. The principal and interest on the Director Notes will mature on December 31, 2012.

eDiets has no long-term credit facility or other source of long-term funding other than the Director Notes which represent: (i) a promissory note to Kevin A. Richardson, II, one of eDiets directors and an officer of Prides Capital Partners, LLC (Prides), pursuant to which eDiets borrowed $600,000, (ii) a promissory note to Lee S. Isgur, one of eDiets directors, pursuant to which eDiets borrowed $200,000 and (iii) a promissory note to Kevin N. McGrath, eDiets former director and CEO, pursuant to which eDiets borrowed $200,000. The Director Notes mature on December 31, 2012 at which time eDiets must repay the original principal amount of $1.0 million, together with accrued interest of approximately $107,000. eDiets does not believe that its cash flows from operations alone will be sufficient to support repayments and otherwise satisfy repayment obligation under these Director Notes.

eDiets common stock is quoted on the OTC Bulletin Board, which may limit the liquidity and price of its securities more than if its securities were quoted or listed on a national securities exchange.

eDiets common stock is currently quoted for trading in the OTC Bulletin Board, which is generally considered to be a less efficient market than markets such as NASDAQ or other national exchanges, and which may cause difficulty in conducting trades and difficulty in obtaining future financing. Some investors may perceive eDiets common stock to be less attractive because they are traded in the over-the-counter market. In addition, as an OTC Bulletin Board quoted company, eDiets does not attract the extensive analyst coverage that accompanies companies listed on a national securities exchange. Further, institutional and other investors may have investment guidelines that restrict or prohibit investing in securities traded in the over-the-counter market. These factors may have an adverse impact on the trading and price of eDiets common stock.

Economic conditions are adversely affecting consumer discretionary spending and may continue to negatively impact eDiets business and operating results.

Because eDiets meal delivery offerings consist of freshly prepared meals, they are priced higher than major competitors such as Nutrisystem and Jenny Craig. The success of eDiets meal delivery business is therefore dependent on customers willingness and ability to invest a larger percentage of discretionary spending in its meal delivery products than may be required with competitors products. Because discretionary spending is influenced by general economic conditions, consumer confidence and the availability of discretionary income, a protracted economic slowdown, increased unemployment, decreased salaries and wage rates, increased energy prices, inflation, rising interest rates or other industry-wide cost pressures adversely affect consumer behavior and decrease consumer discretionary spending. A decline in customers discretionary spending could adversely affect its business, financial condition, operating results and cash flows. If this difficult economic situation continues for a prolonged period of time or deepens in magnitude, its business and results of operations could be materially affected.

eDiets future growth and profitability will depend in large part upon the effectiveness and efficiency of its marketing expenditures and its ability to select the right markets and media in which to advertise.

eDiets future growth and profitability will depend in large part upon the effectiveness and efficiency of its marketing expenditures, including its ability to:

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create greater awareness of its brand and its program;

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identify the most effective and efficient level of spending in each market, media and specific media vehicle;

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determine the appropriate creative message and media mix for advertising, marketing and promotional expenditures;

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effectively manage marketing costs (including creative and media) in order to maintain acceptable customer acquisition costs;

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select the right market, media and specific media vehicle in which to advertise; and

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convert consumer inquiries into actual orders.

eDiets planned marketing expenditures may not result in increased revenue or generate sufficient levels of brand name and program awareness. eDiets may not be able to manage its marketing expenditures on a cost-effective basis whereby its customer acquisition cost may exceed the contribution profit generated from each additional customer.

As the largest stockholder, Prides has significant influence over eDiets.

As of December 14, 2012, Prides owned approximately 52.3% of eDiets outstanding voting common stock based upon 14,310,534 shares outstanding. Therefore, as a practical matter, Prides has the ability significant influence over the outcome of any stockholder vote, including the election of directors and the approval of mergers, including the merger, or other business combination transactions. Additionally, concentration of control in one stockholder may discourage potential investors from providing additional financing if needed by eDiets. Prides initially acquired eDiets common stock under the terms of a 2006 Securities Purchase Agreement (the Company Purchase Agreement). The Company Purchase Agreement affords Prides certain participation rights and anti-dilution protections which could make it more difficult for it to obtain additional financing or to effect a merger or other business combination transaction. In addition, under the terms of the

Company Purchase Agreement, as long as Prides owns at least 5% of eDiets outstanding common stock, the following require the approval of a majority vote of eDiets board of directors, which majority must include at least one Prides director:

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authorize, create, designate, establish or issue any other class or series of capital stock ranking senior to its capital stock as to dividends or upon liquidation, or reclassification of any shares of eDiets capital stock into shares having any preference or priority as to dividends or upon liquidation superior to any such preference or priority of eDiets common stock;

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adopt a plan for the liquidation, dissolution or winding up of the affairs of eDiets or any recapitalization plans;

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amend, alter or repeal, whether by merger, consolidation or otherwise the eDiets certificate of Incorporation;

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alter or change the rights, preferences or privileges of its common stock or the warrants issued to Prides; or

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directly or indirectly, declare or pay any dividend (other than dividends payable in shares of its common stock) or directly or indirectly purchase, redeem, purchase or otherwise acquire any share of its common stock (except for shares of common stock repurchased from current or former employees, consultants, or directors upon termination of service in accordance with plans approved by eDiets board of directors (whether in cash, securities or property or in its obligations).

eDiets faces significant competition which may materially and adversely affect it.

Competition is intense in the weight management industry and eDiets must remain competitive in the areas of program efficacy, price, taste, customer service and brand recognition. In addition to Weight Watchers® International, Inc., Waterfront Media, Inc. and Nutrisystem, Inc. eDiets currently compete with several Internet sites which provide diet and nutrition information, including WeightWatchers.com. eDiets knows of several other online competitors aggressively marketing online programs which may be somewhat similar to eDiets, including some that are offered at no charge to the customer.

Increased competition and a proliferation of free online diet plans could result in reductions in the prices received for eDiets programs, lower margins, loss of customers and reduced visitor traffic to the eDiets website.

Several existing competitors and potential competitors have longer operating histories, greater name recognition and significantly greater financial, technical and marketing resources and may be able to devote greater resources for the development and promotion of their services and products. These competitors may also engage in more extensive marketing and advertising efforts, adopt more aggressive pricing policies and make more attractive offers to advertisers and alliance partners. Accordingly, eDiets may not be able to compete successfully.

eDiets relies on third parties to provide it with adequate food supply and certain fulfillment, the loss of which could cause its revenue, earnings or reputation to suffer.

Food Manufacturer. eDiets currently depend on one third party meal delivery vendor for manufacture and fulfillment of its prepared meals. If eDiets is unable to obtain sufficient quantity, quality and variety of food and fulfillment of customer orders in a timely and low-cost manner from this manufacturer, eDiets will be unable to adequately fulfill its customers   orders which would adversely affect its operating results and damage the value of its brand.

Freight and Fulfillment. Orders are currently shipped by one third-party, United Parcel Service, Inc. (UPS   ). Should UPS be unable to service its needs for even a short duration, revenue and business will be adversely affected. Additionally, the cost and time associated with replacing UPS on short notice would add to costs. Any replacement fulfillment provider would also require startup time, which could cause eDiets to lose sales and market share.

Therefore, eDiets is dependent on maintaining good relationships with these third parties. The services it require from these parties may be disrupted by a number of factors associated with their businesses, including the following:

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labor disruptions;

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delivery problems;

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financial condition of operations;

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internal inefficiencies;

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equipment failure;

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natural or man-made disasters; and

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with respect to its food supplier, shortages of ingredients or United States Department of Agriculture (USDA) and United States Food and Drug Administration (FDA) compliance issues.

eDiets depends heavily on its network infrastructure and its failure could result in unanticipated expenses and prevent subscribers from effectively utilizing services, which could negatively impact eDiets ability to attract and retain subscribers and advertisers.

eDiets ability to successfully create and deliver its content depends in large part on the capacity, reliability and security of networking hardware, software and telecommunications infrastructure. Failures of network infrastructure could result in unanticipated expenses to address such failures and could prevent subscribers from effectively utilizing services, which could prevent eDiets from retaining and attracting subscribers and advertisers. The hardware infrastructures on which the eDiets system operates are located in Chicago, Illinois and Lithia Springs, Georgia. eDiets does not currently have a formal disaster recovery plan. Its system is susceptible to natural and man-made disasters, including war, terrorism, earthquakes, fires, floods, power loss and vandalism. Further, telecommunications failures, computer viruses, electronic break-ins or other similar disruptive problems could adversely affect the operation of its systems. eDiets insurance policies may not adequately compensate it for any losses that may occur due to any damages or interruptions in its systems. Accordingly, eDiets could incur capital expenditures in the event of unanticipated damage.

In addition, subscribers depend on Internet service providers, or ISPs, for access to the eDiets website. In the past, ISPs and websites have experienced significant system failures and could, in the future, experience outages, delays and other difficulties due to system failures unrelated to the eDiets systems. These problems could harm its business by preventing its subscribers from effectively utilizing services.

Problems with the performance and reliability of the Internet infrastructure could adversely affect the quality and reliability of the services eDiets offers its subscribers.

eDiets depends significantly on the Internet infrastructure to deliver attractive, reliable and timely e-mail messages to its subscribers. If Internet usage grows, the Internet infrastructure may not be able to support the demands placed on it by this growth, and its performance and reliability may decline, which could adversely affect eDiets ability to sustain revenue growth. Among other things, continued development of the Internet infrastructure will require a reliable network backbone with necessary speed, data capacity and security. Currently, there are regular failures of the Internet network infrastructure, including outages and delays, and the frequency of these failures may increase in the future. These failures may reduce the benefits of eDiets services to its subscribers and undermine its subscribers confidence in the Internet as a viable commercial medium. In addition, the Internet could lose its viability as a commercial medium due to delays in the development or adoption of new technology required to accommodate increased levels of Internet activity or due to government regulation. These factors could adversely affect eDiets business by adversely affecting the quality and reliability of the services it offers its customers.

The unauthorized access of confidential member information that eDiets transmits over public networks could adversely affect its ability to attract and retain subscribers.

eDiets subscribers transmit confidential information to it over public networks, and the unauthorized access of such information by third parties could harm its reputation and significantly hinder its efforts to attract and retain subscribers. eDiets relies on a variety of security techniques and authentication technology licensed from third parties to provide the security and authentication technology to effect secure transmission of confidential information, including customer credit card numbers. Advances in computer capabilities, new discoveries in the field of cryptography or other developments may result in a compromise or breach of the technology it uses to protect customer transaction data and adversely affect its ability to attract and retain customers.

Because of volatility in the advertising markets which eDiets targets, it may not be able to effectively attract and retain subscribers.

eDiets is currently dependent in large part on the online and spot television advertising markets to attract and retain subscribers to its digital plans and meal delivery service. eDiets expects competitive pressures to continue to increase in the future which may result in higher costs in these advertising markets, thereby significantly impacting costs to acquire and retain subscribers. These competitive pressures have been even more significant in 2012, which is an election year. Although eDiets is currently developing alternative channels of customer acquisition, including print advertising, there can be no assurance that these measures will as effectively attract and retain subscribers as have online and television advertising programs in the past.

eDiets may have to litigate to protect its rights or to defend claims brought against it by third parties, and such litigation may subject eDiets to significant liability and be time consuming and expensive.

eDiets faces a substantial risk of litigation, including litigation regarding intellectual property rights in Internet-related businesses. Legal standards relating to the validity, enforceability and scope of protection of certain proprietary rights in Internet-related businesses are uncertain and still evolving. eDiets may have to litigate in the future to enforce its intellectual property rights, protect its trade secrets or defend itself against claims of violating the proprietary rights of third parties.

eDiets also faces the risk of having to defend against lawsuits brought by third parties related to its business activities. For example, eDiets depends to a certain extent on Internet advertising, and it has been involved in both civil litigation and administrative proceedings arising out of pop-up ads and other advertising practices, in both cases brought by one of its competitors. If the outcome of similar proceedings that it may face in the future were to make certain types of advertising unavailable to it, then its marketing may become less effective and its financial results could suffer. In addition, eDiets has been contacted on behalf of the alleged holder of certain patent rights to a process by which an online retailer builds and edits customer order lists for the retailer s products and services, which notified eDiets that its online retail sales portal may require a license to those patent rights. It is possible that litigation may arise if eDiets is unable to secure such a license or persuade the alleged holder of the patent rights that its activities do not require a license.

Any of this type of litigation may subject eDiets to significant liability for damages, result in invalidation of its proprietary rights, be time-consuming and expensive to defend, even if not meritorious, and result in the diversion of management time and attention. Any of these factors could adversely affect eDiets business operations and financial results and condition.

If eDiets engages in competitive advertising, it may be subject to litigation from competitors.

If eDiets engages in competitive advertising, competitors may pursue litigation regardless of its merit and chances of success. Competitive advertising may include advertising that directly or indirectly mentions a competitor or a competitor s weight loss program in comparison to eDiets program. Defending such litigation may be lengthy and costly, strain resources and divert management s attention from their core responsibilities, which would have a negative impact on eDiets business.

eDiets may be subject to health-related claims from its customers which may negatively affect its business.

eDiets weight loss program does not include medical treatment or medical advice, and it does not engage physicians or nurses to monitor the progress of customers. Many people who are overweight suffer from other physical conditions, and target consumers could be considered a high-risk population. A customer who experiences health problems could allege or bring a lawsuit against eDiets on the basis that those problems were caused or worsened by participating in its weight management program. Currently, eDiets is neither subject to any such allegations nor has it been named in any such litigation. However, if eDiets is, it would defend itself against such claims. Defending against such claims, regardless of their merit and ultimate outcome, would likely be lengthy and costly, and adversely affect results of operations. Further, eDiets general liability insurance may not cover claims of these types.

If eDiets cannot protect and enforce its trademarks and other intellectual property rights, its brand and its business will suffer.

eDiets believes that its trademarks and other proprietary rights are important to its success and competitive position. The actions it takes to establish and protect its trademarks and other proprietary rights may prove to be inadequate to prevent imitation of its products or services or to prevent others from claiming violations of their trademarks and proprietary rights by eDiets. In addition, others may develop similar trademarks or other intellectual property independently or assert rights in eDiets trademarks and other proprietary rights. If so, third parties may seek to block or limit sales of eDiets products and services based on allegations that use of some of marks or other intellectual property constitutes a violation of their intellectual property rights. If eDiets cannot protect its trademarks and other intellectual property rights, or if its trademarks or other intellectual property rights infringe upon the rights of third parties, the value of eDiets brand may decline, which would adversely affect its results of operations.

eDiets industry is subject to governmental regulation that could increase in severity and hurt results of operations.

eDiets industry is subject to federal, state and other governmental regulation. For example, some advertising practices in the weight loss industry have led to investigations from time to time by the FTC and other governmental agencies. Many companies in the weight loss industry have entered into consent decrees with the FTC relating to weight loss claims and other advertising practices. In October 2009, the FTC published revisions to its Guides Concerning the Use of Endorsements and Testimonials in Advertising. Among other things, the revised Guides require it to monitor the activities of bloggers and other third parties over whom eDiets has limited control. eDiets inability to do so effectively could lead the FTC to bring administrative or legal action against it. Further, the revised Guides significantly affect its ability to advertise the successes its customers have achieved in losing weight through its programs. For example, eDiets is no longer able to include the phrase results not typical in advertisements describing its customers successes. Uncertainties surrounding the application of the revised Guides may adversely affect its ability to advertise its programs effectively and may require it to incur significant additional costs. In addition, regulation of advertising practices in the weight loss industry may increase in scope or severity in the future, which could have a material adverse impact on eDiets business.

Other aspects of eDiets industry are also subject to government regulation. For example, food manufacturers are subject to rigorous inspection and other requirements of the USDA and FDA. If federal, state or local regulation of its industry increases for any reason, then eDiets may be required to incur significant expenses, as well as modify its operations to comply with new regulatory requirements, which could harm its operating results. Additionally, remedies available in any potential administrative or regulatory actions may include requiring eDiets to refund amounts paid by all affected customers or pay other damages, which could be substantial.

Laws and regulations that apply to Internet communications, commerce and advertising are becoming more prevalent and these laws and regulations could significantly increase the costs eDiets incurs in using the Internet to conduct its business. The United States Congress has recently enacted Internet legislation regarding children s privacy, commercial email, copyright and taxation. The European Union has recently adopted a directive addressing data privacy that may result in limits on the collection and use of member information. A number of other laws and regulations, including those at the state or local level, may be adopted that regulate the use of the Internet. These may include laws addressing user privacy, pricing, acceptable content, taxation, use of the telecommunications infrastructure, commercial email and quality of products and services. The laws governing the Internet remain largely unsettled, even in areas where there has been some legislative action. It may take years to determine whether and how existing laws, including those governing intellectual property, privacy, libel and taxation apply to the Internet and Internet advertising. In addition, the growth and development of the market for Internet commerce may prompt calls for more stringent consumer protection laws, both in the United States and abroad, that may impose additional burdens on companies conducting business over the Internet. As a result of these uncertainties, eDiets may incur unanticipated, significant costs and expenses that could impact its financial results and condition.

eDiets recent restructuring plan may adversely affect its ability to react to business developments and manage its business.

In order to manage its expenses and reduce its use of its limited cash, eDiets has implemented reductions in force over the last several reporting periods which significantly reduced the number of its employees. These reductions may adversely affect its ability to react to business developments, grow its revenue or manage its business, which would have a negative impact on the financial condition of eDiets and the value of its common stock.

The price of eDiets common stock is extremely volatile which could adversely affect the market price of its common stock.

In the nine-months ended September 30, 2012, eDiets stock has closed at prices ranging from a high of $0.90 on January 12, 2012 to a low of $0.15 on September 26, 2012. eDiets expects its market price to continue to be extremely volatile. The market price of its common stock is also subject to fluctuations in response to general trends in the weight loss industry, seasonality, announcements by its competitors, its ability to meet or exceed securities analysts expectations, recommendations by securities analysts, the condition of the financial markets and other factors. In addition, short-term trading strategies of certain investors can also have a significant effect on the price of specific securities and the concentration of ownership of eDiets stock could lead to heightened volatility even if relatively few shares are traded. These fluctuations, as well as general economic and market conditions, may adversely affect the market price of eDiets common stock and cause it to fluctuate significantly.

The exercise of warrants or options may depress eDiets stock price.

There are a significant number of warrants and options to purchase eDiets common stock outstanding at prices ranging from $0.27 to $30.15 per share. Holders may sell the common stock acquired upon exercise of the warrants and options at a market price that exceeds the exercise price of the warrants and options paid by the holders. Sales of a substantial number of shares of common stock in the public market by holders of warrants or options may depress the prevailing market price for eDiets common stock and could impair its ability to raise capital through the future sale of its equity securities.

eDiets has authorized but unissued preferred stock, which could negatively affect rights of holders of its common stock.

The certificate of incorporation of eDiets authorizes the issuance of preferred stock with designations, rights and preferences determined from time to time by its board of directors. Accordingly, its board of directors is empowered, without shareholder approval, to issue preferred stock with dividends, liquidation, conversion, voting or other rights that could adversely affect the voting power or other rights of the holders of common stock. In addition, the preferred stock could be issued as a method of discouraging a takeover attempt. Although eDiets does not intend to issue any preferred stock at this time, it may do so in the future.

If eDiets does not keep pace with rapid technological change in the e-commerce and Internet subscription diet and wellness plan industries its business could be harmed.

In order to remain competitive, eDiets will be continually required to enhance and to improve the functionality and features of its subscription products and website, which could require it to invest significant capital. If competitors introduce new products and services embodying new technologies, or if new industry standards and practices emerge, its existing services, technology, and systems may become obsolete and eDiets may not have the funds or technical know-how to upgrade its services, technology, and systems. eDiets may face material delays in introducing new services, products, and enhancements. If such delays occur, eDiets users may forego use of its services and select those of its competitors, in which event, its business, prospects, financial condition and results of operations could be materially adversely affected.

The sale of prepared meals and nutritional supplements involves product liability and other risks.

eDiets faces an inherent risk of exposure to product liability claims if the use of its prepared meal delivery products and nutritional supplements results in illness or injury. eDiets is subject to various laws and regulations, including those administered by the United States Department of Agriculture and Food and Drug Administration that establish manufacturing practices and quality standards for food products. eDiets may be subject to claims that its products contain contaminants, are improperly labeled, include inadequate instructions as to use or inadequate warnings. Product liability claims could have a material adverse effect on its business as contract indemnification rights and existing insurance coverage may not be adequate. Distributors of food products, vitamins, and nutritional supplements are frequently named as defendants in product liability lawsuits. The successful assertion or settlement of an uninsured claim, a significant number of insured claims or a claim exceeding the limits of its insurance coverage would harm eDiets by adding costs to the business and by diverting the attention of senior management. Product liability litigation or regulatory action, even if not meritorious, is very expensive and could also entail adverse publicity for eDiets and reduce its revenue.

Provisions in the certificate of incorporation of eDiets may deter or delay an acquisition of it or prevent a change in control, even if an acquisition or a change of control would be beneficial to its stockholders.

Provisions of the certificate of incorporation of eDiets may have the effect of deterring unsolicited takeovers or delaying or preventing a third party from acquiring control of eDiets, even if its stockholders might otherwise receive a premium for their shares over then current market prices. In addition, these provisions may limit the ability of stockholders to approve transactions that they may deem to be in their best interests.

The certificate of incorporation of eDiets permits its board of directors to issue preferred stock without stockholder approval upon such terms as the board of directors may determine. The rights of the holders of eDiets common stock may be junior to, and may be adversely affected by, the rights of the holders of any preferred stock that may be issued in the future. The issuance of preferred stock could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from acquiring, a majority of its outstanding common stock. The issuance of a substantial number of preferred shares could adversely affect the price of its common stock.

The loss of services of eDiets executive management personnel or its inability to hire additional executive management personnel may negatively affect its business.

The success of eDiets business will also depend on its ability to hire and retain additional qualified key executive management personnel, particularly in the marketing, administrative and financial areas. If it is unable to attract and retain additional qualified personnel, its business could suffer.

Changes in consumer preferences could negatively impact eDiets operating results.

eDiets program features pre-packaged food selections, which it believes offer convenience and value to its customers. eDiets continued success depends, to a large degree, upon the continued popularity of its program versus various other weight loss, weight management and fitness regimens, such as low carbohydrate diets, appetite suppressants and diets featured in the published media. Changes in consumer tastes and preferences away from eDiets weight loss oriented meal delivery service and digital weight-loss programs, and any failure to provide innovative responses to these changes, may have a materially adverse impact on its business, financial condition, operating results, cash flows and prospects.

THE EDIETS SPECIAL MEETING

eDiets is furnishing this document to holders of eDiets common stock in connection with the solicitation by eDiets board of directors of proxies to be voted at the special meeting of eDiets stockholders to be held on [ ], 2013, and at any adjournment or postponement of the meeting.

This document is first being mailed to eDiets stockholders on or about [ ], 20[12]. This document is also furnished to eDiets stockholders as a prospectus in connection with the issuance by As Seen On TV of shares of As Seen On TV common stock as contemplated by the Merger Agreement.

The special meeting will be held on [ ], 2013 at [ ] a.m., local time, at 555 SW 12th Avenue, Suite 210, Pompano Beach, Florida 33069.

Matters to Be Considered

The purpose of the eDiets special meeting is to consider and vote on the following proposal:

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To adopt the Merger Agreement, dated October 31, 2012, by and among As Seen On TV, eDiets Acquisition Company which is a wholly owned subsidiary of As Seen On TV) and eDiets, a copy of which is included as Appendix A to this proxy statement/prospectus.

eDiets stockholders also will be asked to transact any other business that may be properly brought before the special meeting or any adjournments or postponements of the special meeting. At this time, eDiets board of directors is unaware of any matters, other than the proposal set forth above, that may properly come before the special meeting.

Recommendation of the eDiets Board of Directors

eDiets board of directors approved the Merger Agreement and has determined that the Merger Agreement and the merger are advisable and fair to, and in the best interests of, eDiets stockholders. eDiets board of directors recommends that eDiets stockholders vote FOR adoption of the Merger Agreement.

Record Date and Voting

eDiets has fixed the close of business on [ ], 20[12], as the record date for the determination of holders of eDiets common stock, par value, $0.001 per share, entitled to notice of, and to vote on all matters at, the special meeting and any adjournment or postponement of the special meeting. In deciding all matters that come before the special meeting, each holder of eDiets common stock is entitled to one vote per share of eDiets common stock held as of the close of business on the record date.

At the close of business on the record date for the special meeting, there were outstanding and entitled to vote [ ] shares of eDiets common stock, held by approximately [ ] holders of record. There are no other shares of eDiets capital stock entitled to notice of and to vote at the special meeting. Accordingly, the aggregate number of votes of eDiets common stock that may be cast at the special meeting for all matters is [ ].

Quorum; Abstentions and Broker Non-Votes

A quorum, consisting of [ ] shares, which is a majority of the outstanding shares of eDiets common stock entitled to vote must be represented at the special meeting in person or by proxy before any action may be taken with respect to the adoption of the Merger Agreement or any other matters at the special meeting. Abstentions and broker non-votes will be counted as shares that are present and entitled to vote for purposes of determining the presence of a quorum.

An abstention occurs when a stockholder sends in a proxy with explicit instructions to decline to vote regarding a particular matter. Broker non-votes are shares held by brokers or nominees for whom voting instructions have not been received from the beneficial owners or the persons entitled to vote those shares and the broker or nominee does not have discretionary voting power under rules applicable to broker-dealers. If you hold your shares of eDiets common stock through a broker, bank or other nominee, generally the nominee may only vote your shares in accordance with your instructions. However, if your broker, bank or other nominee has not timely received your instructions, it may vote on matters for which it has discretionary voting authority. Under rules applicable to broker-dealers, the proposal to adopt the Merger Agreement is not a matter on which brokerage firms may vote in their discretion on behalf of their clients if such clients have not furnished voting instructions within ten days of the special meeting. If you do not instruct your broker, bank or other nominee, they will not be able to vote your shares.

Because adoption of the Merger Agreement requires the affirmative vote of a majority of the shares of eDiets common stock outstanding on the record date and entitled to vote, abstentions and broker non-votes will have the same effect as votes against adoption of the Merger Agreement. In addition, the failure of an eDiets stockholder to return a proxy will have the effect of a vote against the adoption of the Merger Agreement. Accordingly, if a broker or bank holds your shares you are urged to instruct your broker or bank on how to vote your shares. If you do not instruct your broker how to vote, it will have the effect of a vote against adoption of the Merger Agreement.

Vote Required

Adoption of the Merger Agreement by eDiets stockholders is required by Delaware law. The affirmative vote of the holders of a majority of the shares of eDiets common stock outstanding on the record date and entitled to vote at the special meeting is required to adopt the Merger Agreement.

At the close of business on the record date for the special meeting and the date of this proxy statement/prospectus, neither eDiets nor any of its directors or executive officers owned any shares of As Seen On TV common stock and neither As Seen On TV nor any of its directors or officers owned any shares of eDiets common stock.

Voting Shares Held by eDiets Executive Officers, Directors and Affiliates

At the close of business on the record date for the special meeting, the directors and executive officers of eDiets collectively beneficially owned approximately [ ]% shares of eDiets common stock or approximately [ ]% of the outstanding shares of eDiets common stock (inclusive of shares subject to stock options that may be exercised within 60 days following that date).

Proxies

If you are a stockholder of eDiets and your shares are registered directly in your name, you may vote:

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By Mail. Complete and mail the enclosed proxy card in the enclosed postage prepaid envelope. By casting your vote by proxy, you are authorizing the individuals listed on the proxy to vote your shares in accordance with your instructions. If you sign and return the enclosed proxy, but do not specify how you want your shares voted, they will be voted FOR the proposal to adopt the Merger Agreement.

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In person at the Special Meeting. If you attend the meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which will be available at the meeting.

If your shares of eDiets common stock are held in street name (held for your account by a broker or other nominee):

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By Mail. You will receive instructions from your broker or other nominee explaining how to vote your shares. Please follow their instructions carefully.

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In person at the Special Meeting. Contact the broker or other nominee who holds your shares to request a broker s proxy card and present that broker s proxy card and proof of identification at the meeting.

Counting Your Vote

All proxies received by eDiets prior to the special meeting that are not revoked will be voted at the special meeting in accordance with the instructions indicated on the proxies. If you hold shares in your name and sign, date and mail your proxy card without indicating how you want to vote, your shares will be voted FOR adoption of the Merger Agreement.

eDiets board of directors does not presently intend to bring any other business before the special meeting and is unaware of any matters, other than the proposal to adopt the Merger Agreement that may properly come before the special meeting. If any other matters may properly come before the special meeting, the persons named as proxies in the accompanying eDiets proxy, or their duly constituted substitutes acting at the special meeting or any adjournment or postponement of the special meeting, will be deemed authorized to vote or otherwise act on such matters in accordance with their judgment.

The persons named in the enclosed eDiets proxy, or their duly constituted substitutes acting at the special meeting or any adjournment or postponement of the special meeting, may propose and vote for one or more adjournments or postponements of the special meeting, including adjournments or postponements to permit further solicitations of proxies sufficient to adopt the Merger Agreement. No proxy voted against the proposal to adopt the Merger Agreement will be voted in favor of any adjournment or postponement to permit further solicitation of proxies. Proxies solicited may be voted only at the special meeting and any adjournment or postponement of the special meeting and will not be used for any other eDiets meeting of stockholders.

[American Stock Transfer & Trust Company] will serve as proxy tabulator and count the votes. The results will be certified by the inspector of election.

How to Change Your Vote

An eDiets stockholder who has given a proxy may revoke it at any time before it is exercised at the special meeting by:

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delivering to the Secretary of eDiets a written notice, bearing a date later than the date of the proxy, stating that the proxy is revoked;

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submitting a proxy at a later date by telephone or via the Internet, or by signing and delivering a proxy card relating to the same shares and bearing a later date than the date of the previous proxy prior to the vote at the special meeting, in which case your later-submitted proxy will be recorded and your earlier proxy revoked; or

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attending the special meeting and voting in person (your attendance at the special meeting, in and of itself, will not revoke the proxy).

Any written notice of revocation, or later dated proxy, should be delivered to:

eDiets.com, Inc.
555 SW 12th Avenue, Suite 210
Pompano Beach, FL

Alternatively, you may hand deliver a written revocation notice, or a later dated proxy, to the Secretary at the special meeting before voting begins.

If your shares of eDiets common stock are held by a bank, broker or other nominee, you must follow the instructions provided by the bank, broker or other nominee if you wish to change your vote.

Solicitation of Proxies and Expenses

The eDiets proxy accompanying this proxy statement/prospectus is solicited on behalf of eDiets board of directors. As Seen On TV will bear the costs of preparing and mailing this proxy statement/prospectus, and eDiets will bear the other costs of the solicitation of proxies from its stockholders. Following the mailing of this proxy statement/prospectus, the directors, officers, employees and agents of eDiets may solicit proxies in person, by mail, or by telephone, facsimile or other electronic methods without additional compensation other than reimbursement for their actual expenses.

Brokerage houses and other custodians, nominees and fiduciaries will send beneficial owners the proxy materials. eDiets will, upon request, reimburse those brokerage houses and custodians for their reasonable expenses. **eDiets urges its stockholders to vote without delay.**

Householding of Special Meeting Materials

Some banks, brokers and other record holders may be participating in the practice of householding proxy statements. This means that only one copy of the proxy statement/prospectus may have been sent to multiple stockholders in your household. eDiets will promptly deliver a separate copy of the proxy statement/prospectus to you if you write to or call eDiets at the following address or phone number: eDiets.com, Inc., 555 SW 12th Avenue, Suite 210, Pompano Beach, FL; Telephone: (954) 360-9022, Attention: Corporate Secretary.

PROPOSAL I THE MERGER

This section of the proxy statement/prospectus describes material aspects of the proposed merger. For more information regarding the Merger Agreement, please see The Merger Agreement section of this proxy statement/prospectus starting on page [ ]. While we believe that the description covers the material terms of the merger and the related transactions, this summary may not contain all of the information that is important to eDiets stockholders. You should read the Merger Agreement and the other documents we refer to carefully and in their entirety for a more complete understanding of the merger.

General

As Seen On TV and eDiets have entered into a Merger Agreement dated as of October 31, 2012 that provides for the merger of eDiets and a wholly owned subsidiary of As Seen On TV. As a result of the merger, eDiets will become a wholly owned subsidiary of As Seen On TV and eDiets common stockholders will receive 1.2667 (based on the 15,060,514 shares of eDiets common stock expected to be outstanding at the Effective Time) shares of As Seen On TV common stock in exchange for each share of eDiets common stock they own. At December 14, 2012, As Seen On TV had 44,882,650 shares of common stock. The eDiets stockholders will have no stockholder rights in eDiets after the merger.

The Merger Agreement is attached to this proxy statement/prospectus as Appendix A. The exhibit and schedules to the Merger Agreement are not included but may be obtained from eDiets upon request.

Background of the Merger

eDiets has incurred net losses for the past five fiscal years, and the continuation of its business has depended on its ability to raise additional financial support from a variety of sources. On August 31, 2007, eDiets borrowed $10.0 million from Prides, its largest stockholder. On May 30, 2008, eDiets borrowed an additional $2.595 million from Prides, and on November 13, 2008, eDiets borrowed an additional $2.55 million from Prides. All principal and accrued interest under these loans was converted into shares of eDiets common stock in June 2010.

On June 29, 2009, certain directors and members of eDiets management purchased $500,000 of eDiets common stock at a price of $1.00 per share. On September 8, 2009, certain members of eDiets management purchased $600,000 of eDiets common stock at a price of $1.06 per share. Between September 2009 and November 2009, Prides purchased $2.688 million of eDiets common stock at a purchase price of $1.00 per share through the exercise of previously outstanding warrants.

On March 9, 2010, Kevin A. Richardson, II, an officer of Prides and chairman of eDiets board of directors, loaned $500,000 to eDiets. All principal and accrued interest under this loan was converted into shares of eDiets common stock in June 2010.

On April 9, 2010, eDiets sold $5.275 million of its common stock to investors in a registered direct offering at a price of $1.00 per share, and on June 4, 2010, eDiets sold $500,000 of its common stock to certain directors and members of management at a price of $1.00 per share in a private placement. On November 12, 2010, eDiets issued the Director Notes, pursuant to which it borrowed $1.0 million from certain directors and members of management.

On November 10, 2010, eDiets engaged Stonegate Securities, Inc. to seek additional buyers for eDiets securities. On February 11, 2011, eDiets sold $1,572,000 of its common stock to outside investors and to certain members of eDiets board at a price of $0.4125 per share in a private placement.

During May 2011, eDiets completed a rights offering under which stockholders received one subscription right for each share of eDiets common stock owned on April 18, 2011. Each subscription right entitled the holder to purchase 0.15 shares of eDiets common stock at a price of $0.4125 per share. eDiets received gross proceeds of approximately $1.6 million in the rights offering, in addition to approximately $0.4 million from a standby purchaser.

On June 1, 2011, eDiets effected a 1-for-5 reverse stock split of its common stock in order to increase its bid price above the $1.00 per share minimum required in order for eDiets to maintain its listing on The NASDAQ Capital Market. However, eDiets stock price continued to deteriorate and eDiets became unable to comply with NASDAQ s $35.0 million minimum market capitalization requirement. On December 2, 2011, eDiets common stock was suspended from the NASDAQ stock exchange for failure to comply with NASDAQ continued listing requirements. On December 5, 2011, eDiets common stock began trading on the OTC Bulletin Board.

On December 9, 2011, eDiets sold $500,000 of its common stock to an insider at a price of $0.50 per share in a private placement. Following this transaction, eDiets efforts to raise capital through additional sales of its securities were unsuccessful, despite the continuing efforts of Stonegate Securities and Company directors and management to identify and meet with potential investors. Stonegate Securities and Kevin McGrath, eDiets chief executive officer, identified approximately 50 potential investors. Mr. McGrath met with approximately 20 of these potential investors. After Mr. McGrath left eDiets in February 2012, Kevin A. Richardson, II, chairman of eDiets board, and Thomas Connerty, Mr. McGrath s replacement as chief executive officer, met personally with approximately 12 potential investors and spoke with approximately six additional potential investors by telephone. None of these meeting or telephone calls resulted in further discussions regarding an investment transaction.

In an effort to raise additional funds to support its business, eDiets engaged Craig-Hallum Capital Group LLC on September 8, 2010 to seek a buyer for eDiets corporate services business. Those efforts were unsuccessful and, on August 6, 2012, eDiets corporate services business was sold in a private transaction for a gross sales price of $255,000.

Without additional sources of funding, eDiets undertook a series of steps to reduce its operating expenses. In February 2012, eDiets chief executive officer resigned, and his replacement agreed to accept an annual salary of one dollar. In March 2012, eDiets chief financial officer and vice president of meal delivery services both resigned and were not replaced. eDiets reduced advertising expenditures and, in September 2012, negotiated the termination of its office lease and relocated to lower cost office space.

In May 2012 eDiets approached New World Merchant Partners LLC (NWMP) to assist eDiets as its transactional and strategic advisor. A formal engagement agreement was signed on August 1, 2012. The services rendered by NWMP were related to the structuring and analysis of the structural implications of any transactions contemplated by eDiets and advising the Board of Directors as to matters relating thereto, as well as the rendering of advice, as reasonably requested by eDiets, with respect to the proper documentation thereof. As part of its retention, NWMP reviewed eDiets capital structure, stockholder base, financial condition, market activity and general overall prospects as a stand-alone public company. In its review of strategic alternatives for eDiets, during May and June 2012, NWMP contacted a number of appropriate partners for eDiets but received few indications of interest. During July 2012, Mr. Richardson conducted discussions with one of these potential investors, TCA Global Credit MasterFund, LP (TCA Global), regarding the terms of a proposed $3.0 million senior secured line of credit. Based on preliminary terms discussed with TCA Global and other potential investors, NWMP concluded that eDiets would have substantial difficulty in obtaining required capital as a stand-alone public company except on terms that would lead to substantial and potentially total dilution of existing stockholders. eDiets and NWMP then focused attention on the analysis of strategic alternatives that eDiets might pursue in order to remain in business.

On June 28, 2012, Andrew Glashow, the managing director of NWMP, contacted Kevin Harrington, the chairman of As Seen On TV, and inquired as to the receptivity of As Seen On TV to a possible strategic transaction between As Seen On TV and eDiets. Based on Mr. Harrington s review of eDiets, he suggested a representative of As Seen On TV conduct an introductory call with eDiets.

On July 10, 2012, an initial conference call between the two parties took place. As a result of the call the two companies agreed to meet at the See Through equity conference on July 18, 2012. Kevin Richardson, eDiets chairman, and Mr. Glashow attended the conference, which included a separate break out session with As Seen On TV s representatives. The company representatives agreed to continue dialogue that evening at a dinner meeting.

On July 18, 2012, Mr. Harrington, an As Seen On TV consultant, Mr. Richardson and Mr. Glashow met in New York City to further discuss both companies. The discussions evolved into a potential combination of the two companies. Based on the conversations, the parties agreed that a business transaction was a viable opportunity for the companies. It was agreed that the next step was to bring both companies CEOs into the discussions and for each company s key people to spend at the other company s headquarters.

On July 24, 2012, Mr. Richardson convened a special board meeting of the eDiets board during which he summarized the proposed credit facility terms under discussion with TCA Global, as well as the discussions taking place with As Seen On TV regarding a possible acquisition or merger transaction. Following discussion, it was agreed that Mr. Richardson should focus his efforts on discussions with As Seen On TV rather than on further discussions regarding the proposed TCA Global line of credit, which the board did not consider to be in the best interests of eDiets or its stakeholders.

On July 30, 2012, Mr. Harrington, Steve Rogai, As Seen On TV CEO, Dennis Healy, As Seen On TV CFO, Eric Mausolf, As Seen On TV COO, Anne Flynn, a marketing consultant to As Seen On TV and a financial consultant to As Seen On TV visited eDiets in Ft. Lauderdale, FL and met with the entire eDiets management team and employees.

On July 31, 2012, Mr. Richardson, Tom Connerty, eDiets CEO at the time, Jennifer Hartnett, eDiets Chief Marketing Officer at the time, Robert Smedley, eDiets Senior Vice President of Sales and Member Services visited As Seen On TV in Clearwater, FL and met with the entire As Seen On TV management team and employees.

Additional discussions between the senior management of eDiets and the senior management of As Seen On TV continued from mid July through the first week of August, during which Mr. Richardson and Mr. Harrington reached an understanding that an acquisition of eDiets by As Seen On TV could provide eDiets with access to additional funding and other resources. In addition, an acquisition could provide As Seen On TV with the opportunity to apply As Seen On TV s marketing expertise to invigorate eDiets brand. During such time, management of each company visited the facilities of the other company and conducted preliminary due diligence.

Mr. Richardson briefed the board of eDiets regarding discussions with As Seen On TV at the board s regular meeting on August 3, 2012. Discussions continued between eDiets and As Seen On TV during the next several days. At special meeting of the board on August 8, 2012, Mr. Glashow of NWMP briefed the board regarding these discussions and the terms of a draft non-binding letter of intent under preparation. The board agreed that NWMP would finalize the draft letter of intent in a form acceptable to Company management and that this draft would form the basis for further discussions with As Seen On TV.

On August 7, the As Seen On TV board held conference calls to discuss the potential transaction with eDiets and the status of the negotiations.

On August 8, 2012, the board of As Seen On TV met and discussed the current negotiations with eDiets and certain synergies that would be achieved as a result of a merger, including greater product distribution channels, lower expenses and the opportunity to generate revenues through the eDiets brand. As Seen On TV is dependent on identifying, advising in development and marketing consumer products. The board discussed the fact that to date As Seen On TV had had limited success identifying profitable products, services or business relationships and that the board believed that the continuation of its business would be dependent on continued financial support and its ability to identify profitable products, services and business relationships. During the meeting, it was stated that currently the proposed post-merger company would be majority owned and controlled by As Seen On TV. It was anticipated that As Seen On TV s board of directors post-merger would be comprised of seven members, with the current As Seen On TV board members remaining on the board, along with current eDiets Chairman Kevin Richardson joining, eDiets proposing a member and the companies mutually agreeing on an additional member. It was also anticipated that As Seen On TV would need to raise a minimum of $3 million to fund the proposed merger and the combined entity.

Mr. Glashow delivered an initial draft letter of intent to As Seen On TV on the evening of August 8, 2012 and As Seen On TV s consultant provided comments on the morning of August 9, 2012. During intensive negotiations throughout the day on August 9, 2012, four sets of revisions were prepared to the letter of intent. At 7:00 p.m. eastern time, eDiets board convened to review the proposed final version of the letter of intent. Among other things, the letter of intent outlined the proposed terms under which eDiets would merge with and into a new wholly owned subsidiary of As Seen On TV and eDiets stockholders would exchange their shares of eDiets common stock for an aggregate of 16,185,392 shares of newly-issued As Seen On TV common stock. Following presentations from Mr. Richardson and representatives of NWMP, and following discussion, the board approved the letter of intent and authorized Mr. Richardson to sign it on behalf of eDiets. The letter of intent was also presented to the As Seen On TV board on

August 8, 2012 and following a discussion of the terms of the letter of intent and the anticipated benefits of the acquisition of eDiets, the As Seen ON TV board authorized Steve Rogai to sign the letter of intent on behalf of As Seen On TV. As Seen On TV and eDiets executed the letter of intent on August 10, 2012.

Among other things, the letter of intent contemplated that As Seen On TV would provide eDiets with up to $2.0 million in financial support to enable eDiets to continue its business both prior to and following consummation of the proposed acquisition. On September 6, 2012, eDiets issued a promissory note to As Seen On TV pursuant to which eDiets borrowed $500,000. On November 16, 2012, eDiets issued a second promissory note to As Seen On TV pursuant to which eDiets borrowed $750,000 on November 16, 2012 and an additional $750,000 on December 14, 2012.

During subsequent weeks, eDiets and As Seen On TV each conducted financial, legal and operational due diligence investigations. On September 17, 2012, eDiets engaged Cassel Salpeter & Co., LLC (Cassel Salpeter) to provide an opinion to eDiets board as to whether, as of the date of the opinion, the exchange ratio provided for in the merger with As Seen On TV was fair, from a financial point of view, to the eDiets stockholders, should a definitive merger agreement with As Seen On TV be reached.

On August 22, August 23, August 27 and August 29, 2012, the As Seen On TV board held conference calls to discuss the status of negotiations with eDiets.

On September 19, 2012, eDiets delivered an initial draft Merger Agreement to As Seen On TV. eDiets and As Seen On TV negotiated the terms and provisions of the Merger Agreement over the next several weeks. Meanwhile, As Seen On TV sought to raise additional capital through sales of shares of its common stock in a private placement. During this time, eDiets due diligence investigations revealed that outstanding As Seen On TV warrants contained highly dilutive ratchet provisions that would likely be triggered upon closing of As Seen On TV s proposed private placement.

On October 3 and 4, 2012, Mr. Richardson, Mr. Connerty, Ms. Hartnett, Andrea Settembrino, eDiets Vice President of Finance,, Mr. Smedley and a few other eDiets employees visited As Seen On TV in Clearwater, FL. The main purposes of the meetings were to further each other s due diligence and strategize how the two companies would work together as a combined entity.

During the course of negotiations, the eDiets management stressed the importance of eDiets having sufficient funds to fund advertising during the upcoming diet season (December - January). As a result of such negotiations, as a term of the Merger Agreement, As Seen On TV agreed to advance eDiets up to $1.5 million of working capital, as needed, after signing of the Merger Agreement, rather than waiting until consummation of the Merger Agreement as contemplated in the initial letter of intent.

On October 15, 2012, Mr. Connerty resigned from eDiets and Ms. Hartnett was appointed CEO. To partially offset the dilutive impact on eDiets stockholders upon closing of the proposed Merger, Mr. Richardson approached As Seen On TV about increasing the merger consideration. On October 24, 2012, as a result of such negotiations, As Seen On TV agreed to increase the merger consideration to an aggregate of 19,077,252 shares of As Seen On TV common stock.

On October 29, 2012, a special meeting of eDiets board convened to review the current version of the Merger Agreement. Mr. Richardson and Mr. Glashow of NWMP opened the meeting by summarizing eDiets search for capital during the preceding months, as well as the history of discussions with As Seen On TV. Greenberg Traurig, eDiets special legal counsel, reviewed the material terms of the proposed Merger Agreement. At the request of eDiets board, Cassel Salpeter then reviewed and discussed its financial analyses with respect to eDiets, As Seen On TV and the proposed merger. Mr. Kingston advised the board that Messrs. Richardson and Isgur had agreed, as a condition of the merger, to convert a portion of their existing promissory notes into shares and warrants of As Seen On TV common stock on the same terms as those being offered in a private placement that As Seen On TV was then pursuing with its financial advisor. Mr. Kingston advised the Board that this exchange ratio would be different than the exchange ratio that eDiets stockholders would received in the merger. A presentation and discussion then took place regarding considerations for and against the proposed Merger Agreement and the transaction, including the differing interests of Messrs. Richardson and Isgur in their role as debt holders. Following these presentations and discussions, the board adjourned the special meeting for a period of approximately 4 hours so that all directors could consider the various materials presented. When the meeting reconvened, further discussion took place. Thereafter, Cassel Salpeter stated that it would be in a position to deliver a written opinion, based on the current terms of the proposed merger, to the eDiets board with respect to the fairness to the holders of eDiets common stock, from a financial point of view, of the exchange ratio provided for in the merger pursuant to the Merger Agreement. After discussion, the eDiets board, with Messrs, Richardson and Isgur abstaining, instructed Mr. Richardson to finalize negotiations and authorized him to enter into the Merger Agreement substantially on the terms presented to the Board.

On October 30, 2012, during final negotiations between eDiets management and As Seen On TV s management regarding the Merger Agreement, it was determined that the consulting fee payable to NWMP for their services to eDiets in connection with the merger would need to be paid by eDiets in the form of equity immediately prior to the merger. As a result, it was determined that the implicit exchange ratio would change from that which was originally presented to the eDiets board at the October 29th meeting. Mr. Richardson requested that Cassel Salpeter update their analysis based on the new exchange ratio. Legal counsel of both companies exchanged disclosure schedules and finalized the Merger Agreement.

On October 31, 2012, a special meeting of eDiets board convened to review the final version of the Merger Agreement. Mr. Richards presented to the Board the revised terms of the transaction and the reasons for such revisions. At the request of eDiets board, Cassel Salpeter then reviewed and discussed its financial analyses with respect to eDiets, As Seen On TV and the proposed merger in light of the new exchange ratio. Mr. Kingston advised the Board that the version of the Merger Agreement distributed on October 28th had been revised to reflect the additional number of shares of eDiets common stock anticipated to be issued to NWMP prior to the merger. Mr. Richardson then led the board in a discussion regarding the transaction. Thereafter, Cassel Salpeter rendered its oral opinion to eDiets board (which was confirmed in writing by delivery of Cassel Salpeter s written opinion dated the same date), as to, as of October 31, 2012, the fairness to the holders of eDiets common stock, from a financial point of view, of the exchange ratio provided for in the merger pursuant to the Merger Agreement. The full text of the written opinion of Cassel Salpeter, which describes, among other things, the assumptions, qualifications, limitations and other matters considered in connection with the preparation of its opinion is attached as Appendix B. After discussion, the eDiets board, with Messrs, Richardson and Isgur abstaining, approved the execution of the Merger Agreement and the recommendation of the proposal to the stockholders.

As Seen On TV s Reasons for the Merger and Recommendation of As Seen On TV s Board of Directors

The As Seen On TV Board of Directors, after careful consideration, has unanimously approved the merger and Merger Agreement and the proposed issuance of As Seen On TV common stock in connection with the merger. The As Seen On TV Board of Directors believes that the merger is advisable and in the best interests of its stockholders.

The As Seen On TV Board of Directors also considered and reviewed with management the factors listed below in reaching its decision to approve the merger:

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The merger enhances As Seen On TV s ability to achieve its strategic objective of becoming one of the top providers of direct response marketing;

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The merger will enable As Seen On TV to expand and diversify its product offering to its customers;

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The merger will enable opportunities for increased growth through the expansion of channels of distribution for existing products and services;

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Anticipated synergies from the merger, including operating a larger entity with greater critical mass of direct response marketing which could reduce the media buying pricing for the combined company and lower expenses due to an elimination in certain duplicate administrative costs (finance departments, legal, marketing);

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Cost savings achieved from the ability to eliminate duplicative expenses associated with public company compliance;

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Opportunities to increase the rate of growth of the combined company via new products & services and the Board s belief that the combined entity, with higher revenues and more opportunities for growth and profitability may have access to additional sources of capital not available to As Seen On TV on a stand-alone basis;

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The merger will enable opportunities for increased growth through the ability to cross-sell existing products and services; and

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Alternatives to the merger, including the acquisition of other compatible businesses.

In reaching its conclusions, the Board of Directors of As Seen On TV also considered the following:

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The results of managements analysis of the direct response industry and the dietary meal delivery sector specifically; and

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The fact that As Seen On TV would remain a public entity after the merger was complete.

As Seen on TV s Board of Directors also considered a variety of potential risks and detriments in its consideration of the Merger Agreement, including the following:

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eDiets history of operating losses;

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eDiets regulatory history;

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eDiets recent losses from operations.

eDiets Reasons for the Merger and Recommendation of the eDiets Board of Directors

In reaching its decision to approve the merger, the eDiets board consulted with eDiets management and eDiets legal and financial advisors, and considered the potentially positive factors set forth below:

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the significant net losses that eDiets had incurred for the past five fiscal years, that it currently did not generate sufficient cash flow from operations to support its operations and that it expected to continue to incur losses and have insufficient cash flow from operations;

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the eDiets board s belief that eDiets would need at least $2.0 million in funds to continue operations through the upcoming diet season and the fact that due to its current financial condition, eDiets had made a strategic decision to reduce weekly television advertising to zero, which was anticipated to adversely impact fourth quarter revenue unless sufficient funds were received to recommence advertising;

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the eDiets board s assessment that no alternatives were reasonably likely to present more favorable opportunities for eDiets to create greater value for its stockholders, taking into account the financial condition of eDiets and that fact that eDiets has sought external financing from a variety of sources, but has been unable to obtain financing to continue to fund operations;

·

the fact that eDiets did not have a line of credit or other financing arrangement other than the agreement with As Seen On TV pursuant to which eDiets borrowed $500,000 from As Seen On TV (the As Seen On TV Note) and the Related Party Indebtedness;

·

the fact that eDiets did not have, or anticipate having, sufficient cash to repay the Related Party Indebtedness at maturity on December 31, 2012;

·

in the absence of the proposed Merger or a substantial and sustained improvement in unfavorable operating conditions and the economy generally, it was unlikely that eDiets would have adequate liquidity to continue as a going concern which, taking into account all of the foregoing, would be reasonably likely to result in the insolvency, bankruptcy, or voluntary or involuntary liquidation of eDiets.

·

the fact that the transaction would allow eDiets stockholders to receive an equity interest in As Seen On TV and thereby have an opportunity to participate in any future success of the combined company;

·

the eDiets board s belief that the combination of the businesses of eDiets and As Seen On TV offered the best alternative for continuing the business and that the combined entity might be in a better position to become cash flow positive as it would have greater infomercial expertise and the experience of Kevin Harrington who is well respected in the industry, access to celebrity spokespersons who could become eDiets spokespersons, and relationship with National Securities that may be able to provide access to retail investors for additional funding opportunities;

·

the current and historical market prices of eDiets common stock and As Seen On TV s common stock in relation to the merger consideration to be received from As Seen On TV in connection with the transaction, and the fact that based on the closing stock price of eDiets common stock on October 26, 2012 ($0.26) and the closing stock price of the As Seen On TV s common stock on October 26, 2012 ($0.68), the implied merger consideration per share of the As Seen On TV Common Stock being received in the Merger was $0.86 on October 26, 2012;

·

the financial analysis reviewed by Cassel Salpeter with the eDiets board, and the oral opinion of Cassel Salpeter to the eDiets board (which was subsequently confirmed in writing by delivery of Cassel Salpeter s written opinion dated the same date), as to, as of October 31, 2012, the fairness to the holders of eDiets common stock, from a financial point of view, of the exchange ratio provided for in the Merger pursuant to the Merger Agreement. See The Merger Opinion of eDiets Financial Advisor. ;

·

the terms of the Merger Agreement, including the parties respective representations, warranties and covenants and the conditions to closing;

·

the reasonableness and reciprocal nature of the termination fee, taking into account the other terms of the Merger Agreement and the range of commercially reasonable fees for a transaction of this size; and

·

the likelihood that the transaction will be consummated.

In its deliberations concerning the merger, the eDiets board also identified and considered a variety of potentially negative factors, which are set forth below.

·

the risk that the potential benefits sought in the transaction might not be realized;

·

the Merger is subject to conditions to closing as set forth in the Merger Agreement, including this proxy statement/prospectus being declared effective by the SEC and the transaction being approved by the requisite eDiets stockholder approval;

·

the fact that the exchange ratio is fixed, which (a) limits the upside associated with an increase in the market price of eDiets common stock prior to the consummation of the transaction and (b) does not afford protection in the event of a decline in the market price of As Seen On TV common stock;

·

the risk that more than 20% of the stockholders may dissent, which would give As Seen On TV the right to terminate the Merger Agreement;

·

the risk that the SEC could delay approval of the transaction for a significant period of time;

·

the risk that the proposed transaction might not be completed and eDiets would not have enough liquidity to pursue another alternative;

·

the impact of the proposed transaction on eDiets ability to attract and retain key personnel and on its relationships with its customers and suppliers;

·

the history of financial losses at As Seen On TV and the possibility that As Seen On TV will need to incur additional funding to continue operations;

·

the significant dilution that eDiets stockholders will experience from the proposed financing transaction and upon the exercise/conversion of other convertible securities currently outstanding (including additional shares that will be issuable pursuant to outstanding price protections and dilution protections);

.

the fact that eDiets entered into the transaction with As Seen On TV without first seeking offers from a broad group of other potential purchasers;

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employee uncertainty/retention after the merger; and

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the need for significant financing post-merger to support growth.

During its deliberations concerning the merger, the eDiets board also was aware that two of eDiets directors have interests in the Merger and have arrangements that are different from, or in addition to, those of eDiets stockholders generally. Specifically that the two directors had notes outstanding that were maturing on December 31, 2012 and that As Seen On TV was requiring the notes to be converted on terms equal to those being issued in the As Seen On TV s financing, which may be better than those received by holders of eDiets common stock.

While the eDiets board considered potentially negative and potentially positive factors, it concluded that, overall, the potentially positive factors outweighed the potentially negative factors.

The foregoing discussion summarizes the material information and factors considered by the eDiets board in its consideration of the merger. The eDiets board reached the decision to approve the Merger Agreement in light of the factors described above and other factors that each member of the eDiets board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, eDiets board did not find it useful or practicable to and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the eDiets board may have given different weight to different factors.

This explanation of the eDiets board s reasoning and much of the other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading Forward-Looking Statements at the beginning of this proxy/prospectus and under the heading Risk Factors starting on page [ ] of this proxy statement/prospectus.

The eDiets board of directors recommends that eDiets stockholders vote FOR adoption of the Merger Agreement.

Opinion of eDiets Financial Advisor

On October 31, 2012, Cassel Salpeter rendered its oral opinion to the eDiets board (which was confirmed in writing by delivery of Cassel Salpeter s written opinion dated such date) as to the fairness to holders of eDiets Common Stock, from a financial point of view, of the Exchange Ratio provided for in the merger pursuant to the Merger Agreement.

The summary of the opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the written opinion, which is included as Annex B to this proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Cassel Salpeter in preparing its opinion. However, neither Cassel Salpeter s written opinion nor the summary of its opinion and the related analyses set forth in this proxy statement/prospectus are intended to be, and do not constitute, advice or a recommendation to any stockholder as to how such stockholder should act or vote with respect to any matter relating to the proposed merger.

The opinion was addressed to the eDiets board for the use and benefit of the members of the eDiets board (in their capacities as such) in connection with the eDiets board s evaluation of the merger. The opinion may not be used for any other purpose without Cassel Salpeter s prior written consent. The opinion is not intended to and does not constitute advice or a recommendation to any of the holders of eDiets Common Stock or any other security holders as to how such holder should vote or act with respect to any matter relating to the merger or otherwise. The opinion should not be construed as creating any fiduciary duty on Cassel Salpeter s part to eDiets or any other party to the Merger Agreement, any security holder of eDiets or such other party, any creditor of eDiets or such other party, or any other person. Cassel Salpeter s opinion was just one of the several factors the eDiets board took into account in making its determinations to approve the merger, including those described elsewhere in this proxy statement/prospectus.

The opinion only addressed the fairness to holders of eDiets common stock, from a financial point of view, of the Exchange Ratio provided for in the Merger pursuant to the Merger Agreement as of the date of the opinion. The opinion did not address (i) any other terms, aspects, or implications of the Merger or the Merger Agreement, including, without limitation, (a) any term or aspect of the Merger that is not susceptible to financial analyses, (b) the conversion of certain eDiets indebtedness (the Related Party Indebtedness) owed to certain of eDiets directors to As Seen On TV Common Stock and warrants to purchase As Seen On TV Common Stock, and (c) the issuance to NWMP of the NWMP Shares, (ii) the fairness of the Merger or the Exchange Ratio to any other security holders of eDiets, As Seen On TV or any other person or any creditors or other constituencies of eDiets, As Seen On TV or any other person, or (iii) the fairness of the amount or nature, or any other aspect, of any compensation or consideration payable to or received by any officers, directors, or employees of any parties to the Merger, or any class of such persons, relative to the Exchange Ratio, or otherwise. Cassel Salpeter did not express any opinion as to what the value of shares of As Seen On TV Common Stock may actually be when issued to the holders of eDiets Common Stock pursuant to the Merger or the prices at which shares of eDiets Common Stock or As Seen On TV Common Stock may trade, be purchased or sold at any time.

The opinion did not address the relative merits of the Merger as compared to any alternative transaction or business strategy that might exist for eDiets, or the merits of the underlying decision by eDiets to engage in or consummate the Merger. The financial and other terms of the Merger were determined pursuant to negotiations between the parties to the Merger Agreement and were not determined by or pursuant to any recommendation from Cassel Salpeter. In addition, Cassel Salpeter was not authorized to, and did not, solicit indications of interest from third parties regarding a potential transaction involving eDiets.

Cassel Salpeter s analysis and opinion were necessarily based upon market, economic, and other conditions, as they exist on, and could be evaluated as of the date of the opinion. Accordingly, although subsequent developments may arise that would otherwise affect its opinion, Cassel Salpeter did not assume any obligation to update, review, or reaffirm the opinion to the eDiets board or any other person or otherwise to comment on or consider events occurring or coming to Cassel Salpeter s attention after the date of the opinion.

In arriving at its opinion, Cassel Salpeter made such reviews, analyses, and inquiries as Cassel Salpeter deemed necessary and appropriate under the circumstances. Among other things, Cassel Salpeter:

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Reviewed a draft execution copy of the Merger Agreement received by it on October 31, 2012.

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Reviewed publicly available financial information and other data with respect to eDiets and As Seen On TV that Cassel Salpeter deemed relevant, including their Annual Reports on Form 10-K for the most recent fiscal year, certain Quarterly Reports on Form 10-Q for periods subsequent thereto, certain other communications to stockholders, and certain other publicly available filings with the Securities and Exchange Commission by each of eDiets and As Seen On TV.

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Reviewed certain other information and data with respect to eDiets and As Seen On TV made available to Cassel Salpeter by eDiets and As Seen On TV, including (i) internal financial information furnished to Cassel Salpeter by or on behalf of eDiets and As Seen On TV, (ii) financial projections with respect to the future financial performance of eDiets for the four years ending December 31, 2015, prepared by management of eDiets (the eDiets Projections), (iii) financial projections with respect to the future financial performance of As Seen On TV for the three fiscal years ending March 31, 2015, prepared by management of As Seen On TV (the As Seen On TV Projections), and (iv) certain forecasts and estimates of potential cost savings and other synergies expected to result from the Merger, as prepared by the managements of eDiets and As Seen On TV (the Synergies).

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Considered and compared the financial and operating performance of eDiets and As Seen On TV with that of companies with publicly traded equity securities that Cassel Salpeter deemed relevant.

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Considered the publicly available financial terms of certain transactions that Cassel Salpeter deemed relevant.

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Considered a discounted cash flow analysis of eDiets and As Seen On TV based upon the eDiets Projections and As Seen On TV Projections, respectively.

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Discussed the business, operations, and prospects of eDiets and As Seen On TV and the proposed Merger with eDiets and As Seen On TV s management and certain of eDiets and As Seen On TV s representatives.

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Conducted such other analyses and inquiries, and considered such other information and factors, as Cassel Salpeter deemed appropriate.

In addition, Cassel Salpeter was advised that, as contemplated by the Merger Agreement, prior to the consummation of the Merger, As Seen On TV would raise additional capital (the Acquisition Financing Transaction), which would result in an increase in the number of fully-diluted outstanding shares of As Seen On TV Common Stock from 73,413,001 prior to commencing such financing, to 113,989,192 after giving effect to such financing, but before giving effect to the issuance of shares of As Seen On TV Common Stock in the Merger (such increase, the As Seen On TV Dilutive Issuance) and that the Exchange Ratio would not be adjusted in respect of such issuance. In addition, Cassel Salpeter was advised that, pursuant to an agreement between eDiets and NWMP, prior to the Merger, eDiets would issue 749,980 shares (the NWMP Shares) to NWMP in exchange for certain financial consulting services provided by NWMP to eDiets and that the number of shares of eDiets Common Stock outstanding as of the effective time would include, for purposes of the Exchange Ratio, the NWMP Shares.

At the eDiets board s direction, Cassel Salpeter evaluated whether the Exchange Ratio was fair to the holders of eDiets Common Stock from a financial point of view based on the assumptions (i) that the Exchange Ratio would be equal to 1.2667, which took into account the prospective issuance of the NWMP Shares, (ii) that the increase in the number of fully-diluted shares of As Seen On TV Common Stock outstanding as a result of the Acquisition Financing Transaction would not be in excess of the As Seen On TV Dilutive Issuance, and (iii) that NWMP would not be issued shares of eDiets Common Stock in excess of the NWMP Shares, which the eDiets board advised Cassel Salpeter reflected the eDiets board s best currently available estimates and judgments with respect to the Exchange Ratio, the As Seen On TV Dilutive Issuance and the NWMP Shares and was a reasonable basis upon which to evaluate the Exchange Ratio. References in the opinion to holders of eDiets Common Stock did not include NWMP or its affiliates.

In arriving at its opinion, Cassel Salpeter, with the consent of the eDiets board, relied upon and assumed, without independently verifying, the accuracy and completeness of all of the financial and other information that was supplied or otherwise made available to Cassel Salpeter or available from public sources, and Cassel Salpeter further relied upon the assurances of eDiets and As Seen On TV s management that they were not aware of any facts or circumstances that would have made any such information inaccurate or misleading. Cassel Salpeter is not legal, tax, environmental or regulatory advisors, and Cassel Salpeter did not express any views or opinions as to any legal, tax, environmental or regulatory matters relating to eDiets, As Seen On TV, the Merger or otherwise. Cassel Salpeter understood and assumed that eDiets obtained or would obtain such advice as it deemed necessary or appropriate from qualified legal, tax, environmental, regulatory and other professionals.

The eDiets board also advised Cassel Salpeter, and Cassel Salpeter assumed, that the eDiets Projections and the As Seen On TV Projections were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the managements of eDiets and As Seen On TV with respect to the future financial performance of eDiets and As Seen On TV, respectively, and that such information provided a reasonable basis upon which to analyze and evaluate eDiets and

As Seen On TV and form an opinion. Cassel Salpeter further understood that the eDiets Projections and the As Seen On TV Projections were based and contingent upon the assumptions that eDiets would immediately raise $2,000,000 of additional capital (the eDiets Required Additional Capital) and that As Seen On TV would immediately raise $8,270,000 of additional capital (the As Seen On TV Required Additional Capital), a portion of which had already been raised pursuant to the Acquisition Financing. The eDiets board directed Cassel Salpeter, for purposes of Cassel Salpeter s analyses and opinion, to assume that for eDiets to raise the eDiets Required Additional Capital, it would be necessary for it to issue, in exchange therefor, a senior convertible security that, if converted, would entitle the holder to a number of shares of eDiets Common Stock comprising at least 90% of the outstanding of shares of eDiets Common Stock (the eDiets Dilutive Issuance). In addition, for purposes of Cassel Salpeter s analyses and opinion Cassel Salpeter assumed, with the consent of the eDiets board, that as a result of raising the As Seen On TV Required Additional Capital, the number of fully-diluted shares of As Seen On TV Common Stock would increase by the same amount as was applicable to the Acquisition Financing, or the As Seen On TV Dilutive Issuance. Cassel Salpeter expressed no view with respect to the eDiets Projections, the As Seen On TV Projections, the eDiets Required Additional Capital, the As Seen On TV Required Additional Capital, the eDiets Dilutive Issuance, the As Seen On TV Dilutive Issuance, the Synergies or, in each case, the assumptions on which they were based. Cassel Salpeter did not evaluate the solvency of eDiets, As Seen On TV or any other party to the Merger, the fair value of eDiets, As Seen On TV or any of their respective assets or liabilities, or whether eDiets or As Seen On TV or any other party to the Merger is paying or receiving reasonably equivalent value in the Merger under any applicable foreign, state, or federal laws relating to bankruptcy, insolvency, fraudulent transfer, or similar matters, nor did Cassel Salpeter evaluate, in any way, the ability of eDiets, As Seen On TV or any other party to the Merger to pay its obligations when they come due. Cassel Salpeter did not physically inspect eDiets or As Seen On TV s properties or facilities and did not make or obtain any evaluations or appraisals of eDiets or As Seen On TV s assets or liabilities (including any contingent, derivative, or off-balance-sheet assets and liabilities). Cassel Salpeter did not attempt to confirm whether eDiets and As Seen On TV had good title to their respective assets. Cassel Salpeter s role in reviewing any information was limited solely to performing such reviews as Cassel Salpeter deemed necessary to support its own advice and analysis and was not on behalf of the eDiets board, eDiets, or any other party.

Among other things, the eDiets board advised Cassel Salpeter, and at the direction of the eDiets board, for purposes of Cassel Salpeter s analyses and opinion Cassel Salpeter assumed, that: (i) eDiets incurred net losses for the past five fiscal years; (ii) eDiets did not have a line of credit or other financing arrangement other than the agreement (the As Seen On TV Note) with As Seen On TV pursuant to which eDiets borrowed $500,000 from As Seen On TV and the Related Party Indebtedness; (iii) the As Seen On TV Note was subject to certain covenants and other restrictions, and was due to mature on the date that is ten (10) business days following the earliest to occur of (x) the closing date of the Merger; (y) December 31, 2012; and (z) an Event of Default (as defined in the As Seen On TV Note); (iv) the maturity date of the Related Party Indebtedness was previously December 31, 2011 and was extended to December 31, 2012; (v) there could be no assurance that eDiets would be able comply with the financial covenants and other restrictions under either the As Seen On TV Note or the Related Party Indebtedness or that eDiets would be able to extend, replace, or refinance either the As Seen On TV Note or the Related Party Indebtedness on or prior to their expiration or maturity, or on terms satisfactory or otherwise acceptable to eDiets; (vi) in the absence of the As Seen On TV Note, eDiets would not have sufficient cash balances to sustain operations for the next twelve months; and (vii) in the absence of the proposed Merger or a substantial and sustained improvement in unfavorable operating conditions and the economy generally, it was unlikely that eDiets would have adequate liquidity to continue as a going concern which, taking into account all of the foregoing, would be reasonably likely to result in the insolvency, bankruptcy, or voluntary or involuntary liquidation of eDiets, which the eDiets board advised Cassel Salpeter would result in no proceeds from such bankruptcy or liquidation being paid to holders of eDiets Common Stock. In this regard, Cassel Salpeter further understood that eDiets independent registered public accounting firm issued a report dated March 30, 2012, in connection with its audit of eDiets financial statements as of and for the year ended

December 31, 2011 which included an explanatory paragraph describing the existence of conditions that raise substantial doubt about eDiets ability to continue as a going concern. Management of eDiets further advised Cassel Salpeter that, despite its efforts to solicit alternative financing and strategic transaction proposals prior to entering into a letter of intent and the As Seen On TV Note, it had been unable to obtain financing proposals or commitments more favorable to eDiets than the As Seen On TV Note or strategic transaction proposals more favorable to eDiets and the holders of eDiets Common Stock than the Merger.

Cassel Salpeter assumed, with the consent of the eDiets board, that the Merger would be consummated in a manner that complies in all respects with applicable foreign, federal, state, and local laws, rules, and regulations and that, in the course of obtaining any regulatory or third party consents, approvals, or agreements in connection with the Merger, no delay, limitation, restriction, or condition would be imposed that would have an adverse effect on eDiets, As Seen On TV or the Merger. Cassel Salpeter also assumed, with the consent of the eDiets board, that the final executed form of the Merger

Agreement would not differ in any material respect from the draft Cassel Salpeter reviewed and that the Merger would be consummated on the terms set forth in the Merger Agreement, without waiver, modification, or amendment of any term, condition, or agreement thereof that was material to Cassel Salpeter s analyses or the opinion. Cassel Salpeter also assumed that the representations and warranties of the parties to the Merger Agreement contained therein were true and correct and that each such party would perform all of the covenants and agreements to be performed by it under the Merger Agreement. Cassel Salpeter offered no opinion as to the contractual terms of the Merger Agreement or the likelihood that the conditions to the consummation of the Merger set forth in the Merger Agreement would be satisfied. Cassel Salpeter further assumed that for U.S. federal tax income purposes the Merger would qualify as a plan of reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended.

In connection with preparing its opinion, Cassel Salpeter performed a variety of financial analyses. The following is a summary of the material financial analyses performed by Cassel Salpeter in connection with the preparation of its opinion. It is not a complete description of all analyses underlying such opinion. The preparation of an opinion is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. As a consequence, neither Cassel Salpeter s opinion nor the respective analyses underlying its opinion is readily susceptible to partial analysis or summary description. In arriving at its opinion, Cassel Salpeter assessed as a whole the results of all analyses undertaken by it with respect to the opinion. While it took into account the results of each analysis in reaching its overall conclusions, Cassel Salpeter did not make separate or quantifiable judgments regarding individual analyses and did not draw, in isolation, conclusions from or with regard to any individual analysis or factor. Therefore, Cassel Salpeter believes that the analyses underlying the opinion must be considered as a whole and that selecting portions of its analyses or the factors it considered, without considering all analyses and factors underlying the opinion collectively, could create a misleading or incomplete view of the analyses performed by Cassel Salpeter in preparing the opinion.

The implied valuation reference ranges indicated by Cassel Salpeter s analyses are not necessarily indicative of actual values nor predictive of future results, which may be significantly more or less favorable than those suggested by such analyses. Much of the information used in, and accordingly the results of, Cassel Salpeter s analyses are inherently subject to substantial uncertainty.

The following summary of the material financial analyses performed by Cassel Salpeter in connection with the preparation of its opinion includes information presented in tabular format. The tables alone do not constitute a complete description of these analyses. Considering the data in the tables below without considering the full narrative description of the analyses, as well as the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses Cassel Salpeter performed.

For purposes of its analyses, Cassel Salpeter reviewed a number of financial metrics including:

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Enterprise Value generally the value as of a specified date of the relevant company s outstanding equity securities (taking into account its options and other outstanding convertible securities) plus the value as of such date of its net debt (the value of its outstanding indebtedness, preferred stock and minority interests less the amount of cash on its balance sheet).

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EBITDA generally the amount of the relevant company s earnings before interest, taxes, depreciation and amortization for a specified time period.

Unless the context indicates otherwise, share prices for the selected companies used in the selected companies analyses described below were as of October 25, 2012, and estimates of financial performance for eDiets for the years ending December 31, 2012 to 2015 and for As Seen On TV for the years ending March 31, 2013 to 2015 were based on the eDiets Projections and the As Seen On TV Projections, respectively. Estimates of financial performance for the selected companies listed below for the calendar years ending December 31, 2012 and 2013 were based on publicly available research analyst estimates for those companies. In the selected companies analyses, estimates of Revenue for the selected companies were adjusted to exclude unusual and extraordinary expenses and income.

Discounted Cash Flows Analysis

Cassel Salpeter calculated implied exchange ratio reference ranges based on the net present value of eDiets free cash flows through 2015 and an estimate of the terminal value of eDiets after 2015 using the eDiets Projections and the net present value of As Seen On TV s free cash flows through 2015 and an estimate of the terminal value of As Seen On TV after 2015 using the As Seen On TV Projections. In performing this analysis, Cassel Salpeter applied discount rates ranging from 16.80% to 18.80%, terminal growth rates ranging from 2.25% to 2.75% and terminal EBITDA multiples of 4.7x to 5.3x to eDiets the projected free cash flows and discount rates ranging from 18.03% to 20.03% and terminal EBITDA multiples of 7.5x to 8.5x to As Seen On TV s the projected free cash flows. This analysis indicated an implied exchange ratio reference range of 0.2317 - 0.2717 of a share of As Seen On TV common stock per share of eDiets common stock, as compared to the Exchange Ratio in the proposed merger of 1.2667 shares of As Seen On TV common stock per share of eDiets common stock.

Selected Companies Analysis

Selected Companies Analysis - eDiets

Cassel Salpeter considered certain financial data for eDiets and selected companies with publicly traded equity securities Cassel Salpeter deemed relevant. The selected companies with publicly traded equity securities were:

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Weight Watchers International, Inc.

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Medifast Inc.

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Nutrisystem, Inc.

With respect to the selected companies analysis for eDiets, the financial data reviewed included:

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Enterprise Value as multiple of revenue for the last twelve months, or LTM Revenue.

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Enterprise Value as multiple of projected revenue for 2012, or 2012 P Revenue.

Cassel Salpeter calculated the following enterprise value multiples with respect to the selected companies:

Enterprise Value Multiple of	**Mean**	**Median**	**High**	**Low**

LTM Revenue	1.53x	1.07x	2.93x	0.58x
2012 P Revenue	1.50x	1.00x	2.95x	0.56x

Selected Companies Analysis - As Seen On TV

Cassel Salpeter also considered certain financial data for As Seen On TV and selected companies with publicly traded equity securities Cassel Salpeter deemed relevant. The selected companies with publicly traded equity securities were:

- Liberty Interactive Corporation
- HSN, Inc.
- ValueVision Media Inc.
- Infusion Brands International, Inc.
- International Commercial Television, Inc.

With respect to the selected companies analysis for As Seen On TV, the financial data reviewed included:

- Enterprise Value as multiple of LTM Revenue.
- Enterprise Value as multiple of 2012 P Revenue.

Cassel Salpeter calculated the following enterprise value multiples with respect to the selected companies:

Enterprise Value Multiple of	Mean	Median	High	Low
LTM Revenue	1.62x	1.64x	3.64x	0.19x
2012 P Revenue	0.88x	0.85x	1.61x	0.18x

Selected Companies Analysis

For purposes of calculating an implied exchange ratio reference range, Cassel Salpeter applied multiple ranges based on the selected companies analysis for eDiets to corresponding financial data for eDiets based on the eDiets Projections and multiple ranges based on the selected companies analysis for As Seen On TV to corresponding financial data for As Seen On TV based on the As Seen On TV Projections. For As Seen On TV, 2012 P Revenue multiples were applied to As Seen On TV s revenue for the twelve months ending March 2013. The selected companies analyses for eDiets and As Seen On TV indicated an implied exchange ratio reference range of 0.1355 to 0.1916 of a share of As Seen On TV common stock per share of eDiets common stock, as compared to the Exchange Ratio in the proposed merger of 1.2667 shares of As Seen On TV common stock per share of eDiets common stock.

None of the selected companies have characteristics identical to eDiets or As Seen On TV. An analysis of selected publicly traded companies is not mathematical; rather it involves complex consideration and judgments concerning differences in financial and operating characteristics of the selected companies and other factors that could affect the public trading values of the companies reviewed.

Selected Transactions Analysis

Selected Transactions Analysis - eDiets

With respect to the selected transactions analysis for eDiets, Cassel Salpeter considered the financial terms of the following business transactions and calculated the following enterprise value (calculated based on the consideration paid in the relevant transaction) multiples:

Target	Acquirer
ViSalus, Inc.	Blyth, Inc.
eDiets	Prides Capital Partners
Walmar (Eastern Canada) Limited	Weight Watchers International, Inc.
Jenny Craig, Inc.	Nestle S.A.

Enterprise Value Multiple of	Mean	Median	High	Low
LTM Revenue	1.04x	1.16x	1.50x	0.34x

Selected Transactions Analysis - As Seen On TV

With respect to the selected transactions analysis for As Seen On TV, Cassel Salpeter considered the financial terms of the following business transactions and calculated the following enterprise value (calculated based on the consideration paid in the relevant transaction) multiples:

Target	Acquirer
AsSeenOnTv.com, Inc.	As Seen On TV
Brentwood Cosmetics, LLC	Danny Petrasek
eDiets	Prides Capital Partners
SkyMall, Inc.	Greenspun Media Group, LLC; Spire Capital Partners, L.P.; Spire Capital Partners, LLC; ZelnickMedia LLC

Enterprise Value Multiple of	Mean	Median	High	Low
LTM Revenue	1.04x	1.16x	1.50x	0.34x

In addition, Cassel Salpeter also considered the financial terms of the following high growth business transactions involving target companies with enterprise values and LTM Revenue in excess of $1 million and with fiscal year 2011 revenue growth rates of greater than 50%:

Target	**Acquirer**
Complete Genomics, Inc.	BGI
Frontier Income and Growth, LLC	Frontier Oil Services, Inc.
American Realty Capital Trust, Inc.	Realty Income Corp.
General Employment Enterprises Inc.	LEED HR, LLC
Robbins & Myers Inc.	National Oilwell Varco, Inc.
AuthenTec, Inc.	Apple Inc.
GenOn Energy, Inc.	NRG Energy, Inc.
Blackwater Midstream Corp.	ArcLight Capital Partners, LLC ArcLight Energy Partners Fund V, L.P.
Princeton Security Technologies, Inc.	Thermo Fisher Scientific, Inc.
Casedhole Holdings, Inc.	C&J Spec-Rent Services, Inc.
HUGHES Telematics, Inc.	Verizon Enterprise Solutions Group
PowerReviews, LLC	Bazaarvoice, Inc.
Anue Systems, Inc.	Ixia
EasyLink Services International Corporation	Open Text Corp.
Allos Therapeutics, Inc.	Spectrum Pharmaceuticals, Inc.
Hunter Disposal, LLC	GreenHunter Water, LLC
MS Networks, Inc.	ShoreTel, Inc.
SuccessFactors, Inc.	SAP America, Inc.
Tube Supply Inc.	AM Castle & Co.
HealthSpring Inc.	CIGNA Corporation
Complete Production Services	Superior Energy Services

Cassel Salpeter calculated the following enterprise value (calculated based on the consideration paid in the relevant transaction) multiples for such transactions:

Enterprise Value Multiple of	**Mean**	**Median**	**High**	**Low**
LTM Revenue	4.15x	2.54	16.82	0.12

For purposes of calculating an implied exchange ratio reference range, Cassel Salpeter applied multiple ranges based on the selected transactions analysis for eDiets to corresponding financial data for eDiets and multiple ranges based on the selected transactions analysis for As Seen On TV to corresponding financial data for As Seen On TV. The selected transactions analyses for eDiets and As Seen On TV indicated an implied exchange ratio reference range of 0.1282 to 0.1979 of a share of As Seen On TV common stock per share of eDiets common stock, as compared to the Exchange Ratio in the proposed merger of 1.2667 shares of As Seen On TV common stock per share of eDiets common stock.

None of the target companies in the selected transactions have characteristics identical to either eDiets or As Seen On TV. Accordingly, an analysis of selected business combinations is not mathematical; rather it involves complex considerations and judgments concerning differences in financial and operating characteristics of the target companies in the selected transactions and other factors that could affect the respective acquisition values of the transactions reviewed.

Other Matters Relating to Cassel Salpeter s Opinion

As part of its investment banking business, Cassel Salpeter regularly is engaged in the evaluation of businesses and their securities in connection with mergers, acquisitions, corporate restructurings, private placements and other purposes. Cassel Salpeter is a recognized investment banking firm that has substantial experience in providing financial advice in connection with mergers, acquisitions, sales of companies, businesses and other assets and other transactions. Cassel Salpeter received a fee of $75,000 for rendering its opinion, no portion of which was contingent upon the completion of the merger. In addition, eDiets agreed to reimburse Cassel Salpeter for certain expenses incurred by it in connection with its engagement and to indemnify Cassel Salpeter and its related parties for certain liabilities that may arise out of its engagement or the rendering of its opinion. In accordance with Cassel Salpeter s policies and procedures, a fairness committee was not required to, and did not, approve the issuance of Cassel Salpeter s opinion.

Interests of Directors and Executive Officers in the Merger

When eDiets stockholders are considering the recommendation of eDiets board of directors that they vote in favor of the approval of the Merger Agreement, eDiets stockholders should be aware that some of the directors and officers of eDiets have interests in the merger and participate in arrangements that are different from, or are in addition to, those of eDiets stockholders generally. The eDiets board of directors was aware of these interests and considered them, among other matters, when they adopted and approved the merger, the Merger Agreement and the transactions contemplated by the Merger Agreement.

These special interests on behalf of eDiets and As Seen On TV directors and officers include the following:

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all of the 2,577,464 eDiets employee stock options and 719,058 warrants to purchase eDiets common stock expected to be outstanding at the Effective Time will represent the right to receive a total of approximately 4,175,726 shares of As Seen On TV common stock based on the exchange ratio of 1.2667, including the immediate vesting at the Effective Time of 288,866 options (as of September 30, 2012) held by those directors of eDiets who are resigning from the eDiets board at the Effective Time; and

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Kevin Richardson and Lee Isgur, a current director of eDiets, shall (1) convert outstanding eDiets promissory notes in the aggregate principal amount of $600,000 into an aggregate of 857,143 shares of As Seen On TV common stock and warrants to purchase an aggregate of 428,571 shares of As Seen On TV common stock exercisable at $0.80 per share; and (2) extend the maturity dates on remaining aggregate principal amounts held by Mr. Richardson and Mr. Isgur together with the accrued interest from December 31, 2012 to June 30, 2012.

The As Seen On TV board of directors and the eDiets board of directors were aware of and discussed these potentially conflicting interests when they approved the merger.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The accompanying unaudited pro forma condensed combined financial statements present financial information from the As Seen On TV and eDiets unaudited pro forma condensed combined statements of operations for the years ended March 31, 2012 for As Seen On TV and December 31, 2011 for eDiets (giving effect to the discontinued operations) and for the six months ended September 30, 2012 for As Seen On TV and eDiets. For eDiets, the six month period data was derived from their unaudited financial records. The unaudited pro forma condensed combined balance sheets as of September 30, 2012, are based on the historical balance sheets of As Seen On TV and eDiets as of that date. The unaudited pro forma condensed combined statements of operations are presented as if the merger had occurred on April 1, 2011. The unaudited pro forma condensed combined balance sheets gives effect to the transaction as if it occurred on September 30, 2012.

The unaudited pro forma condensed combined financial information is based on estimates and assumptions, which are preliminary and subject to change, as set forth in the notes to such statements and which are provided for informational purposes only. The unaudited pro forma condensed combined financial information is not necessarily indicative of the financial position or operating results that would have been achieved had the merger been consummated as of the dates indicated, nor is it necessarily indicative of future financial position or operating results. This information should be read in conjunction with the historical financial statements and related notes of As Seen On TV and eDiets included in this proxy statement/prospectus.

We anticipate that the Merger will provide the combined company with financial benefits that may include increased revenues due to departmental synergies, cost savings on business expenses including but not limited to product marketing, insurance expenses, salaries, benefits, professional fees as well as other general and administrative costs. The pro forma information, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the benefits of increased revenues due to departmental synergies, cost savings on business expenses including but not limited to product marketing, insurance expenses, salaries, benefits, professional fees as well as other general and administrative costs and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had the companies been combined during these periods.

The actual amounts recorded as of the completion of the merger may differ materially from the information presented in these unaudited pro forma condensed consolidated financial statements as a result of:

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changes in the trading price for As Seen On TV s common stock;

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net cash used or generated in eDiets operations between the signing of the Merger Agreement and completion of the merger;

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other changes in eDiets net assets that occur prior to the completion of the merger, which could cause material changes in the information presented below; and

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changes in the financial results of the combined company

The unaudited pro forma combined condensed consolidated financial statements are provided for informational purposes only. The unaudited pro forma combined condensed consolidated financial statements are not necessarily, and should not be assumed to be, an indication of the results that would have been achieved had the merger been completed as of the dates indicated or that may be achieved in the future. The preparation of the unaudited pro forma combined condensed consolidated financial statements and related adjustments required management to make certain assumptions and estimates. The unaudited pro forma combined condensed consolidated financial statements should be read together with:

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the accompanying notes to unaudited pro forma consolidated financial information;

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the audited consolidated financial statements of As Seen On TV for the year ended March 31, 2012 and the notes relating thereto;

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the unaudited consolidated financial statements of As Seen On TV as of and for the six months ended September 30. 2012 and the notes relating thereto;

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the audited consolidated financial statements of eDiets for the year ended December 31, 2011 and the notes relating thereto;

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the unaudited consolidated financial statements of eDiets as of and for the nine months ended September 30, 2012 and the notes relating thereto; and

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other information pertaining to As Seen On TV and eDiets contained in or incorporated by reference into this document. See Selected Historical Financial Data of As Seen On TV and Selected Historical Financial Data of eDiets.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

	Historical - September 30, 2012		Pro Forma		
	As Seen On TV	eDiets	Adjustments		Combined
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 992,000	$ 183,000	$ (386,000)	(D)	$ 789,000
Restricted cash - current		544,000			544,000
Accounts receivable, net	737,000	24,000			761,000
Advances on inventory purchases	667,000				667,000
Inventories	3,081,000	56,000			3,137,000
Note receivable	500,000		(500,000)	(B)	
Debt issuance costs	153,000				153,000
Prepaid expenses and other current assets	603,000	295,000	(93,000)	(B)(D)	805,000
Total current assets	6,733,000	1,102,000	(979,000)		6,856,000
Restricted cash non current		450,000			450,000
Certificate of deposit - non current	51,000				51,000
Property, plant and equipment, net	118,000	164,000			282,000
Intangible assets, net and goodwill	2,839,000	2,000	19,190,000	(A)	22,031,000
Other assets	2,000	49,000			51,000
Total Assets	$ 9,743,000	$ 1,767,000	$ 18,211,000		$ 29,721,000
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)					
Current Liabilities:					
Accounts payable	$ 859,000	$ 2,252,000			$ 3,111,000
Deferred revenue	4,000	203,000			207,000
Accrued registration rights penalty	156,000				156,000
Accrued expenses and other current liabilities	430,000	917,000	(49,000)	(B)(E)	1,298,000

Current portion of capital lease obligations		6,000			6,000
Related party debt - current portion		1,500,000	(1,100,000)	(B)(E)	400,000
Notes Payable - current portion	710,000	148,000			858,000
Warrant liability	21,228,000				21,228,000
Total current liabilities	23,387,000	5,026,000	(1,149,000)		27,264,000
Other liabilities - non current	40,000	204,000			244,000
Total liabilities	23,427,000	5,230,000	(1,149,000)		27,508,000
Commitments and contingencies					
Stockholders' equity (deficiency):					
Preferred stock, $.0001 par value					
Common stock, $.0001 par value	3,000	14,000	(12,000)	(G)	5,000
Additional paid-in capital	1,396,000	106,796,000	(90,159,000)	(G)	18,033,000
Accumulated deficit	(15,083,000)	(110,283,000)	109,541,000	(G)	(15,825,000)
Accumulated other comprehensive income		10,000	(10,000)	(G)	
Total stockholders' deficiency	(13,684,000)	(3,463,000)	19,360,000		2,213,000
Total liabilities and stockholders' deficiency	$ 9,743,000	$ 1,767,000	$ 18,211,000		$ 29,721,000

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

	For the Twelve Months Ended March 31, 2012 (1)				
	Historical		Pro Forma		
	As Seen On TV	eDiets	Adjustments		Combined
Revenues	$ 8,165,000	$ 20,969,000			$ 29,134,000
Cost of revenues	6,270,000	10,477,000			16,747,000
Gross profit	1,895,000	10,492,000			12,387,000
Operating expenses:					
Selling and marketing expenses	3,518,000	10,509,000			14,027,000
General and administrative expenses	4,970,000	4,679,000			9,649,000
Loss from operations	(6,593,000)	(4,696,000)			(11,289,000)
Other (income) expense:					
Warrant revaluation	(5,452,000)				(5,452,000)
Loss on extinguishment of debt	2,950,000				2,950,000
Revaluation of derivative liability	(209,000)				(209,000)
Other (income) expense	(10,000)				(10,000)
Interest expense	4,182,000	53,000	(30,000)	(E)	4,205,000
Interest expense - related party	23,000				23,000
	1,484,000	53,000	(30,000)		1,507,000
Loss from continuing operations before income taxes	(8,077,000)	(4,749,000)	30,000		(12,796,000)
Benefit (provision) for		4,000			4,000

income taxes									
Loss from continuing operations	$	(8,077,000)	$	(4,745,000)	$	30,000		$	(12,792,000)
Loss per common share - basic and diluted	$	(0.40)	$	(0.34)	$	0.00		$	(0.32)
Weighted-average number of common shares outstanding:									
Basic and diluted		20,240,000		12,886,000		19,739,000			39,979,000

(1)

Derived from the As Seen On TV's audited Annual Report on Form 10-K for the year ended March 31, 2012 and from eDiets audited Annual Report on Form 10-K for the year ended December 31, 2011.

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

	For the Six Months Ended September 30, 2012 (2)								
	Historical				Pro Forma				
	As Seen On TV		eDiets		Adjustments			Combined	
Revenues	$	1,038,000	$	8,877,000				$	9,915,000
Cost of revenues		1,033,000		4,519,000					5,552,000
Gross profit		5,000		4,358,000					4,363,000
Operating expenses:									
Selling and marketing expenses		200,000		3,758,000					3,958,000
General and administrative expenses		2,266,000		2,371,000		89,000	(D)		4,726,000
Loss from operations		(2,461,000)		(1,771,000)		(89,000)			(4,321,000)
Other (income) expense:									
Warrant revaluation		(5,430,000)							(5,430,000)
Other (income) expense		(3,000)				4,000	(B)		1,000
Interest expense		787,000		30,000		(4,000)	(B)		813,000
		(4,646,000)		30,000					(4,616,000)
Income (loss) from continuing operations before income taxes		2,185,000		(1,801,000)		(89,000)			(295,000)
Benefit (provision) for income taxes									
Income (loss) from continuing operations	$	2,185,000	$	(1,801,000)	$	(89,000)		$	(295,000)
Income (loss) per common share:									
Basic	$	0.07	$	(0.13)	$	0.00		$	0.01
Diluted	$	0.06	$	(0.13)	$	0.00		$	0.01

Weighted-average number of common shares outstanding:				
Basic	32,191,549	14,311,000	19,739,000	52,110,000
Diluted	34,419,919	14,311,000	19,739,000	54,613,000

(2)

Derived from As Seen On TV's unaudited Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 and from eDiets unaudited financial records ended September 30, 2012.

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Note 1. Purchase Accounting Estimates

The purchase price allocation is preliminary and is based upon a preliminary estimated valuation of tangible and intangible assets acquired and liabilities assumed. The purchase price allocation included within these unaudited pro forma condensed combined financial statements is based upon a preliminary purchase price of approximately $17,544,000, estimated as follows:

Issuance of As Seen On TV common stock to eDiets stockholders (19,077,252 shares at an estimated $0.76 per share)	$ 14,500,000
Note advance to eDiets	500,000
Fair value of As Seen On TV options to purchase 3,265,000 common shares in exchange for 2,577,000 eDiets options	202,000
Fair value of As Seen On TV warrants to purchase 911,000 common shares in exchange for 719,000 eDiets warrants	523,000
	$ 15,725,000

For pro forma purposes, the stock prices for both As Seen On TV, $0.76 and eDiets, $0.33, on October 31, 2012, the date of the Agreement and Plan of Merger, were used to determine fair value. Any fluctuation in the price of As Seen On TV s common stock will impact the value of the purchase price. The actual values to be recorded in the transaction will be based on the price of As Seen On TV's common stock on the transaction closing date.

For the purpose of the unaudited pro forma condensed combined financial statements, we have presumed an exchange ratio for the merger of 1.2667 shares of As Seen On TV common stock for each share of eDiets common stock based upon the terms of the Agreement and Plan of Merger dated October 31, 2012. The ratio also presumed the issuance of approximately 750,000 shares of eDiets common shares being issued in connection with a consulting fee arrangement related to the merger transaction.

The merger also provides eDiets option and warrant holders the right to receive options and warrants of As Seen On TV in exchange for their options and warrants to acquire eDiets common stock. For the purposes of the unaudited pro forma condensed combined financial statements, we have assumed the same exchange ratio as with exchange of common shares with a proportionate reduction in exercise prices.

The purchase price of eDiets will be approximately $15,725,000 in aggregate consideration. The purchase price will be allocated to tangible and intangible assets and liabilities based on an estimate of the fair value of assets acquired and liabilities assumed. The significant intangible assets likely to be recognized in the valuation are product technologies, internally developed software, customer relationships and trade names. The estimated useful lives that these assets, once determined, will be amortized utilizing the straight line method over their estimated economic life. If it were to be determined that the entire $19,190,000 are definite lived intangible assets with a 10 year economic life, the amortization would be $1,919,000 per year. The following allocation of the aggregate fair value is preliminary and subject to adjustment based on the final determination of the total purchase price and the fair value of the assets acquired and liabilities assumed.

	September 30, 2012
Current assets	$ 1,102,000
Property, plant and equipment	164,000
Other assets	499,000
Current liabilities	(5,026,000)
Long-term liabilities	(204,000)
Net tangible assets acquired	(3,465,000)
Intangible assets including goodwill	19,190,000
Total estimated consideration	$ 15,725,000

The final purchase price and purchase price allocation could change significantly upon the completion of a detailed fair value study at the closing date of the merger transaction.

Note 2. Summary of Adjustments

Adjustments included in the unaudited pro forma condensed combined balance sheets and unaudited pro forma condensed combined statements of operations are summarized as follows:

(A)

To record the estimated intangible assets acquired and to eliminate eDiets historical intangible assets. See Note 1. *Purchase Accounting Estimates.*

(B)

To reflect the forgiveness of a $500,000 12% note payable to As Seen On TV by eDiets upon completion of the merger transaction and reversal of the related interest income and expense of $4,000.

(C)

To eliminate eDiets historical equity accounts and to reflect the issuance of 19,077,252 shares of As Seen On TV's $0.0001 par value common stock with an estimated fair value of $14,500,000 in exchange for all common stock of eDiets, including an adjustment to additional paid-in capital to reflect the estimated fair value of options and warrants to acquire As Seen On TV common stock to be issued by As Seen On TV in the merger transaction.

	Common Stock	Additional Paid-In Capital
Issuance of As Seen On TV common stock	$ 2,000	$ 14,498,000
Note advance to eDiets		500,000
Fair value of As Seen On TV options		202,000
Fair value of As Seen On TV warrants		523,000
	$ 2,000	$ 15,723,000

(D)

To reflect estimated costs of the merger transaction as follows:

	As Seen On TV	eDiets	Total
Professional fees including legal and accounting	$ 100,000	$ 185,000	$ 285,000
Consulting fees		268,000	268,000
Fairness opinions	60,000	75,000	135,000
Printing and other	25,000	10,000	35,000
	$ 185,000	$ 538,000	$ 723,000

Note: The estimated costs of the merger transaction have been reflected in the pro forma Accumulated Deficit in the pro forma condensed combined balance sheet at September 30, 2012, but not reflected in the pro forma statements of operations as the amounts are nonrecurring and will be included in operations with 12 months following the closing of the merger transaction. Total includes $89,000 paid by eDiets prior to September 30, 2012, $248,000 in fair value of eDiets stock paid in a consulting fee and $386,000 to be paid in cash by both As Seen On TV and eDiets.

(E)

Reflects conversion of $600,000 in eDiets related party notes payable, including accrued interest of $45,000, a provision of the merger transaction, into Units of As Seen On TV. Also reflects reduction in interest expense for the year ended March 31, 2012 of $30,000. The notes convert into 857,000 shares of As Seen On TV common stock and warrants to purchase 429,000 common shares exercisable at $0.80 per share.

(F)

Reflects $64,000 in expense related to accelerated vesting of options for departing eDiets directors at September 30, 2012.

(G)

A summary of pro forma adjustments to stockholders equity (deficiency) made to the pro forma condensed combined balance sheets is as follows:

	Common Stock		Additional paid-in capital		Accumulated Deficit		Accumulated other Comprehensive Income	
Elimination of eDiets historical accounts	$ (14,000)	(A)	$ (106,796,00)	(A)	$ 110,283,000	(A)	$ (10,000)	(A)
Issuance of As Seen On TV common stock	2,000	(C)	14,498,000	(C)				
Fair value of options and warrants			727,000	(C)				
Note advance to eDiets			500,000	(C)				
eDiets related party notes			600,000	(E)				
Common stock issued to consultant			248,000	(D)				
Merger transaction costs					(723,000)	(D)		
Acceleration of eDiets options			64,000	(F)	(64,000)	(F)		
Interest on related party note converted					45,000	(E)		
	$ (12,000)		$ (90,159,000)		$ 109,541,000		$ (10,000)	

(H)

The pro forma adjustments do not include any related income tax effects as As Seen On TV provided a full valuation allowance on its deferred tax assets. In addition, as eDiets is tendering all of its common stock, the use of eDiets net operating loss carryforwards are expected to be limited under Section 382 of the Internal Revenue Code. Additionally, the pro forma adjustments do not include fair value adjustments related to the net tangible assets acquired as eDiets net assets approximate fair value.

The pro forma adjustments do not include any deferred tax liabilities due to the step-up of the intangibles to fair value from eDiets since eDiets has sufficient deferred tax assets to offset against such liabilities.

If, as a result of this transaction, it is determined that As Seen On TV underwent an ownership change as defined in Section 382 of the Internal Revenue Code, the use of its net operating loss and credit carryforwards may be further limited.

THE MERGER AGREEMENT

The following is a brief summary of the material provisions of the Merger Agreement dated as of October 31, 2012, a copy of which is attached as Appendix A to this proxy statement/prospectus and is incorporated by reference into this summary. This summary may not contain all of the information about the Merger Agreement that may be important to you. We urge all stockholders of eDiets to read the Merger Agreement in its entirety for a more complete description of the terms and conditions of the merger.

General

In the merger, a newly created wholly owned subsidiary of As Seen On TV will be merged with and into eDiets, and eDiets will survive the merger and become a wholly owned subsidiary of As Seen On TV. The merger will be completed only after the adoption of the Merger Agreement by the stockholders of eDiets, and the satisfaction or waiver of the other conditions to the merger. The merger will become effective at the time of the filing of a certificate of merger with the secretary of state of the state of Delaware. The parties anticipate completing the transaction as soon as practicable after the eDiets stockholders meeting.

Conversion of eDiets Shares

With the exception of dissenting shares, all issued and outstanding shares of eDiets common stock will automatically be converted into the right to receive shares of As Seen On TV common stock at the Effective Time. The total number of shares of As Seen On TV common stock to be issued to the eDiets stockholders will be 19,077,252 shares, subject to adjustment for fractional shares and any As Seen On TV stock split, reverse split, stock dividend, reorganization or recapitalization. Based on the 15,060,514 shares of eDiets common stock that the companies expect to be outstanding at the Effective Time, each eDiets stockholder would receive 1.2667 (based on the 15,060,514 shares of eDiets common stock expected to be outstanding at the Effective Time) shares of As Seen On TV common stock at the Effective Time. However, the number of shares of As Seen On TV common stock issuable in the merger is fixed. Consequently, to the extent that the number of shares of eDiets common stock outstanding at the Effective Time of the merger is greater than anticipated, then the exchange ratio would be proportionally less. Pursuant to the terms of the Merger Agreement, eDiets has the ability to issue additional shares of its common stock with the consent of As Seen On TV.

Treatment of Stock Options and Warrants

At the Effective Time, each eDiets warrant and option that remains outstanding and unexercised following the Effective Time, will be deemed amended and be exercisable for As Seen On TV common stock. The terms and conditions of the warrants and options will remain the same, except that the number of shares covered by the option or warrant, and the exercise price will be adjusted to reflect the exchange ratio. Assuming the number of shares of eDiets common stock outstanding remains the same, the number of shares of common stock for which such warrant or option will be exercisable after the merger will be equal to 1.2667 (based on the 15,060,514 shares of eDiets common stock expected to be outstanding at the Effective Time) times the number of shares of eDiets common stock that were purchasable immediately prior to the merger. The exercise price per share after the merger will be equal to the exercise price prior to the Effective Time, divided by the exchange ratio.

As soon as practicable after the Effective Time, As Seen On TV is required to file a registration statement on Form S-3 or Form S-8, as the case may be (or any successor or other appropriate forms), with respect to the As Seen On TV common stock to be issued in respect of the eDiets options and warrants. As Seen On TV has agreed to use its reasonable best efforts to maintain the effectiveness of such registration statements for as long as options and warrants remain outstanding.

Exchange of Stock Certificates

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General. When the merger is completed, eDiets common stock will automatically convert into the right to receive shares of As Seen On TV common stock. eDiets stockholders will be requested to exchange their eDiets stock certificates for As Seen On TV stock certificates.

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Surrender of Shares of eDiets Stock. After the Effective Time, As Seen On TV will deliver, or will cause its transfer agent, Pacific Stock Transfer Company, to deliver to the exchange agent, [ ] the merger consideration payable to the eDiets stockholders of record holders, a letter of transmittal and instructions to exchange certificates. An eDiets stockholder who surrenders his or her certificate to the exchange agent, together with a duly executed letter of transmittal, will receive a certificate representing the shares of As Seen On TV common stock that the stockholder is entitled to receive, including, when applicable, any share in lieu of a fractional share interest. The surrendered certificates will be canceled. Holders of eDiets common stock should not send in their certificates until they receive a letter of transmittal from As Seen On TV or the exchange agent.

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Fractional Shares. As Seen On TV will not issue any fractional shares of As Seen On TV common stock in the merger. Instead, each holder of shares of eDiets common stock exchanged in the merger who would otherwise have been entitled to receive a fraction of a share of As Seen On TV common stock will receive one whole share for any fractional share held. The fractional share interest of holders of eDiets common stock will be aggregated such that no individual holder will receive more than the one (1) share of As Seen On TV common stock with respect to any interest in fractional shares.

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No Further Registration or Transfer of eDiets Common Stock. After the effective time, there will be no further registration of transfers of eDiets shares. If, after the effective time, certificates are presented to the exchange agent, eDiets or As Seen On TV, they will be canceled and exchanged for Merger Consideration.

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Lost Certificates. If any eDiets certificate has been lost, stolen or destroyed, the owner of the certificate must provide an appropriate affidavit of loss to As Seen On TV or the exchange agent. As Seen On TV or the exchange agent may require the owner of such certificate to deliver a bond as indemnity against any claim that may be made against them with respect to the eDiets certificates alleged to have been lost, stolen or destroyed.

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EDIETS STOCKHOLDERS SHOULD NOT SUBMIT ANY STOCK CERTIFICATES UNTIL RECEIPT OF THE LETTER OF TRANSMITTAL FROM AS SEEN ON TV OR [ ].

Certain Payments

At the effective time, As Seen On TV will pay an aggregate of $200,000 plus accrued interest to certain holders of eDiets promissory notes, as payment of certain of the amounts owed by eDiets to the holders of such promissory notes.

Expenses

Generally, As Seen On TV and eDiets will each pay its own transaction costs and expenses in connection with the merger, provided, however, that As Seen On TV will reimburse eDiets, or pay on its behalf, all costs and expenses incurred by eDiets in connection with the merger and the other transactions contemplated thereby (whether or not the merger is consummated) up to a maximum of $125,000. The expenses incurred in connection with printing and mailing of this proxy statement/prospectus and any government filings will be paid solely by As Seen On TV. In addition, in the event the Merger Agreement is terminated prior to the eDiets No-Shop Period Start Date, then eDiets will be required to pay to As Seen On TV its expenses incurred in connection with the merger up to a maximum of $250,000.

eDiets Dissenters Rights

Under Delaware law, eDiets stockholders have the right to dissent from the merger and to receive payment in cash for the fair value of their shares of eDiets common stock, as determined by the Delaware Chancery Court. eDiets stockholders electing to exercise appraisal rights must comply with the provisions of Section 262 of the Delaware General Corporation Law in order to perfect their rights. eDiets will require strict compliance with these statutory procedures. A copy of Section 262 is included as Appendix C to this proxy statement/prospectus.

The following is a brief summary of the material provisions of the Delaware statutory procedures required to be followed by a stockholder in order to dissent from the merger and perfect the stockholder s appraisal rights. This summary, however, is not a complete statement of all applicable requirements and is qualified in its entirety by reference to Section 262 of the Delaware General Corporation Law. If an eDiets stockholder wishes to consider exercising its appraisal rights, the eDiets stockholder should carefully review the full text of Section 262 contained in Appendix C because failure to timely and properly comply with the requirements of Section 262 will result in the loss of appraisal rights under Delaware law.

Section 262 requires that stockholders of record on the record date be notified not less than 20 days before the special meeting to vote on the merger for which dissenters appraisal rights will be available. A copy of Section 262 must be included with such notice. This proxy statement/prospectus constitutes eDiets notice to its stockholders of the availability of appraisal rights in connection with the merger in compliance with the requirements of Section 262.

If an eDiets stockholder elects to demand appraisal of its shares, the following conditions must be satisfied:

(1)

The stockholder must deliver to eDiets a written demand for appraisal of its shares before the vote is taken on the Merger Agreement at the special meeting. This written demand for appraisal must be in addition to and separate from any proxy or vote abstaining from or voting against the merger. Voting against or failing to vote for the merger itself does not constitute a demand for appraisal under Section 262.

(2)

The stockholder must not vote in favor of the merger. A vote in favor of the merger, by proxy or in person, will constitute a waiver of the stockholder s appraisal rights in respect of the shares so voted and will nullify any previously filed written demands for appraisal.

If an eDiets stockholder fails to comply with either of these conditions, and the merger is completed, the stockholder will be entitled to receive the shares of As Seen On TV common stock as provided for in the Merger Agreement, but will have no appraisal rights with respect to its shares of eDiets common stock.

All demands for appraisal should be addressed to eDiets.com, Inc., 555 SW 12th Avenue, Suite 210, Pompano Beach, FL, Attention: Corporate Secretary, should be delivered before the vote on the merger is taken at the special meeting and should be executed by, or on behalf of, the record holder of the shares of eDiets common stock. The demand must reasonably inform eDiets of the identity of the stockholder and the intention of the stockholder to demand appraisal of his, her or its shares.

To be effective, a demand for appraisal by a holder of eDiets common stock must be made by, or in the name of, such record stockholder, fully and correctly, as the stockholder s name appears on his or her stock certificate(s) and cannot be made by the beneficial owner if he or she does not also hold the shares of record. The beneficial holder must, in such cases, have the record owner submit the required demand in respect of such shares.

If shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of a demand for appraisal should be made in such capacity; and if the shares are owned of record by more than one person, as in a joint tenancy or tenancy in common, the demand should be executed by or for all joint owners. An authorized agent, including an authorized agent for two or more joint owners, may execute the demand for appraisal for one or more stockholders of record; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, he or she is acting as agent for the record owner or owners. A record owner, such as a broker, who holds shares as a nominee for others, may exercise his, her or its right of appraisal with respect to the shares held for one or more beneficial owners, while not exercising this right for other beneficial owners. In such case, the written demand should state the number of shares as to which appraisal is sought. Where no number of shares is expressly mentioned, the demand will be presumed to cover all shares held in the name of such record owner.

If an eDiets stockholder holds its shares of eDiets common stock in a brokerage or bank account or in other nominee form and the stockholder wishes to exercise appraisal rights, the stockholder should consult with its broker or bank or such other nominee to determine the appropriate procedures for the making of a demand for appraisal by such nominee.

Within 10 days after the effective date of the merger, the surviving entity must give written notice of the date the merger became effective to each eDiets stockholder who has properly filed a written demand for appraisal and who did not vote in favor of the merger. Within 120 days after the effective date of the merger, either the surviving entity or any stockholder who has complied with the requirements of Section 262 may file a petition in the Delaware Chancery Court demanding a determination of the fair value of the shares held by all stockholders entitled to appraisal. The surviving entity has no obligation to file such a petition. Accordingly, the failure of a stockholder to file such a petition within the period specified could nullify such stockholder s previous written demand for appraisal.

At any time within 60 days after the effective date of the merger, any stockholder who has demanded appraisal has the right to withdraw the demand and to accept the shares of As Seen On TV common stock for its shares of eDiets common stock as provided for in the Merger Agreement. Any attempt to withdraw an appraisal demand more than 60 days after the effective date of the merger will require the written approval of the surviving entity. Within 120 days after the effective date of the merger, any stockholder who has complied with Section 262 will be entitled, upon written request, to receive a statement setting forth the aggregate number of shares of eDiets common stock not voted in favor of the merger and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. If a petition for appraisal is duly filed by a stockholder and a copy of the petition is delivered to the surviving entity, the surviving entity will then be obligated within 20 days after receiving service of a copy of the petition to provide the Delaware Chancery Court with a duly verified list containing the names and addresses of all stockholders who have demanded appraisal of their shares and with whom agreements as to the value of their shares have not been reached. After notice to dissenting stockholders, the Chancery Court is empowered to conduct a hearing upon the petition, to determine those stockholders who have complied with Section 262 and who have become entitled to the appraisal rights provided thereby. The Chancery Court may require the stockholders who have demanded payment for their shares to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with such direction, the Chancery Court may dismiss the proceedings as to such stockholder.

After determination of the stockholders entitled to appraisal of their shares of eDiets common stock, the Chancery Court will appraise the shares, determining their fair value exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest, if any, to be paid. When the value is determined, the Chancery Court will direct the payment of such value, with interest thereon accrued during the pendency of the proceeding, if the Chancery Court so determines, to the stockholders entitled to receive the same, upon surrender by such holders of the certificates representing such shares.

In determining fair value, the Chancery Court is required to take into account all relevant factors. You should be aware that the fair value of your shares as determined under Section 262 could be more, the same, or less than the value that you are entitled to receive pursuant to the Merger Agreement. You also should be aware that investment banking opinions as to the fairness from a financial point of view of the consideration payable in the merger are not opinions as to fair value under Section 262.

Costs of the appraisal proceeding may be imposed upon the surviving entity and the stockholders participating in the appraisal proceeding by the Chancery Court as the Chancery Court deems equitable in the circumstances. Upon the application of a stockholder, the Chancery Court may order all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys fees and the fees and expenses of experts, to be charged pro rata against the value of all shares entitled to appraisal. Any stockholder who had demanded appraisal rights will not, after the effective date of the merger, be entitled to vote shares subject to such demand for any purpose or to receive payments of dividends or any other distribution with respect to such shares (other than with respect to payment as of a record date prior to the effective date); however, if no petition for appraisal is filed within 120 days after the effective date of the merger, or if such stockholder delivers a written withdrawal of his or her demand for appraisal and an acceptance of the merger within 60 days after the effective date of the merger, then the right of such stockholder to appraisal will cease and such stockholder will be entitled to receive the shares of As Seen On TV common stock for its shares of eDiets common stock as provided for in the Merger Agreement. Notwithstanding the foregoing, no appraisal proceeding in the Chancery Court shall be dismissed as to any stockholder without the approval of the Chancery Court.

In view of the complexity of Section 262, eDiets stockholders who may wish to dissent from the merger and pursue appraisal rights should consult their own legal advisors.

Failure to take any required step in connection with exercising appraisal rights may result in the termination or waiver of any appraisal rights.

The Effective Time

At the closing of the merger, the parties will cause the merger to become effective by filing a certificate of merger with the Delaware Secretary of State. The parties anticipate that the closing of the merger will occur in the offices of [ ], at [ ].

The Surviving Corporation

eDiets will merge with eDiets Acquisition Company and will be the surviving corporation of the merger and will thereafter operate as a wholly owned subsidiary of As Seen On TV. The certificate of incorporation of eDiets in effect at the Effective Time shall be the certificate of incorporation of the surviving corporation until amended in accordance with applicable law.

The bylaws of eDiets in effect at the Effective Time shall be the bylaws of the surviving corporation, until amended in accordance with applicable law.

The following persons shall be the initial members of the board of directors of the surviving corporation, each to hold office in accordance with the applicable provisions of law: Kevin Richardson, a designee of Mr. Richardson and a designee of As Seen On TV.

The officers of eDiets immediately prior to the effective time will be the initial officers of the surviving corporation, each to hold office in accordance with the applicable provisions of law:

Name	**Office(s)**
Kevin A. Richardson, II	Chairman
Jennifer Hartnett	President and Chief Executive Officer

Representations and Warranties

The Merger Agreement contains customary representations and warranties of the parties thereto relating to their respective businesses. For purposes of determining the satisfaction of the closing conditions relating to each party s representations and warranties as described under Conditions to Complete the Merger below, subject to certain exceptions, each party s representations and warranties will be deemed to be true and correct in all respects unless the failure or failures of such representations and warranties to be true and correct, individually or in the aggregate, results or would reasonably be expected to result in a material adverse effect on the party making the representations and warranties. For purposes of the Merger Agreement, material adverse effect means with respect to As Seen On TV or eDiets, as the case may be, any fact, circumstance, event, change, effect, development or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes, effects, developments or occurrences, (x) has had or would be reasonably expected to have a material adverse effect on the business, operations, financial condition or results of operations of such party and its subsidiaries taken as a whole or (y) prevents or materially delays, or would reasonably be expected to prevent, materially delay, such party s ability to perform its obligations under the Merger Agreement or consummate the transactions contemplated by the Merger Agreement. However, in determining whether a material adverse effect has occurred pursuant to clause (x) above, there shall be excluded any effect on the referenced party the cause of which is:

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any changes after October 31, 2012 in laws, rules or regulations of general applicability or published interpretations by governmental entities, in generally accepted accounting principles or in regulatory accounting requirements applicable to the industries in which such party and its subsidiaries operate;

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the announcement of the Merger Agreement or compliance with the terms of, or any action of any party to the Merger Agreement or any of its subsidiaries required to be taken under the Merger Agreement, including the loss of customers, employees or vendors demonstrably arising as a result thereof;

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any changes after October 31, 2012 in general economic conditions in the United States affecting the industries in which such party and its subsidiaries operate;

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any changes after October 31, 2012 in conditions in the financial markets, credit markets or capital markets in the United States or any other jurisdiction in which such party or any of its subsidiaries has substantial business or operations, including (1) changes in interest rates or currency exchange rates and (2) any suspension of trading in securities (whether equity, debt, derivative or hybrid securities) generally on any securities exchange or over-the-counter market operating in the United States or any other jurisdiction in which such party or any of its subsidiaries has substantial business or operations;

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any changes after October 31, 2012 in conditions in the industries in which such party and its subsidiaries conduct business;

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any changes after October 31, 2012 in global or national political conditions in the United States or any other jurisdiction in which such party or any of its subsidiaries has substantial business or operations;

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acts of war, sabotage or terrorism (including any escalation or general worsening of any such acts of war, sabotage or terrorism) in the United States or any other jurisdiction in which such party or any of its subsidiaries has substantial business or operations; and

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any actions taken in compliance with the Merger Agreement or which the other party has in writing expressly approved, consented to or requested,

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in each case, only to the extent that such changes or actions do not have a disproportionate impact on such party and its subsidiaries relative to other participants in the industries in which such party and its subsidiaries operate.

In addition, a decrease in the trading or market prices of a party s capital stock or any failure to meet public estimates, projections or internal budgets or forecasts are not considered, by itself, to constitute a material adverse effect.

The Merger Agreement has been included to provide you with information regarding its terms. The Merger Agreement contains representations and warranties made by and to As Seen On TV and eDiets Acquisition Company, on the one hand, and eDiets, on the other hand. The statements embodied in those representations and warranties were made for purposes of the contract among the parties to the Merger Agreement and are subject to important qualifications and limitations agreed to by such parties in connection with negotiating its terms. In addition, certain representations and warranties were made as of a specified date, may be subject to contractual standards of materiality different from what may be viewed as material to stockholders, or may have been used for the purpose of allocating risk between As Seen On TV and eDiets Acquisition Company, on the one hand, and eDiets, on the other hand, rather than establishing matters as facts. For the foregoing reasons, you should not rely on the representations and warranties as statements of factual information.

Each of As Seen On TV, eDiets Acquisition Company, and eDiets has made representations and warranties to the other regarding, among other things:

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corporate matters, including due organization and qualification;

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capitalization;

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authority relative to execution and delivery of the Merger Agreement and the absence of conflicts with, or violations of, organizational documents or other obligations as a result of the merger;

.

required consents, waivers and approvals;

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filings and reports with the SEC, internal controls and compliance with the Sarbanes-Oxley Act of 2002;

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financial statements and liabilities;

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brokers and finders fees in connection with the merger;

.

the absence of events having, or reasonably expected to have, a material adverse effect;

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litigation with respect to the corporation or its subsidiaries;

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taxes;

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employee benefit plans;

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board approval and vote required with respect to the merger;

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compliance with applicable laws and possession of permits;

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agreements, contracts and commitments;

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title to and operation of the assets and properties it owns and leases;

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insurance;

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environmental liabilities;

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customers and suppliers;

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its intellectual property, the other intellectual property that it uses and infringement of other intellectual property;

.

identification of transactions with certain related parties;

.

labor matters; and

.

tax treatment of the merger.

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The representations and warranties in the Merger Agreement are complicated and are not easily summarized. eDiets and As Seen On TV urge you to read carefully the articles in the Merger Agreement entitled Representations and Warranties of eDiets and Representations and Warranties of As Seen On TV and Merger Sub.

Conduct of Business of As Seen On TV and eDiets Pending the Merger

Each of As Seen On TV and eDiets has agreed that until the closing of the merger (or the Merger Agreement terminates), or unless the other party to the Merger Agreement consents in writing or as required by law, it and its subsidiaries will:

.

conduct their respective businesses in the ordinary course in a manner consistent with past practice,

.

continue to make timely SEC filings; and

.

use reasonable efforts to preserve intact its business organization, including maintaining the services of its respective officers, employees and consultants and preserving relationships with customers, suppliers and other persons with which it has significant business relations.

In addition, until the closing of the merger (or the Merger Agreement terminates), or unless the other party to the Merger Agreement consents in writing, each of As Seen On TV and eDiets has agreed not to:

.

amend its charter or bylaws;

.

issue, sell, pledge, dispose of, grant or encumber, or authorize the issuance, sale, pledge, disposition, grant or encumbrance of any of its; (i) capital stock or any options, warrants, convertible securities or other rights of any kind to acquire any shares of such capital stock, or any other ownership interest of it or any of its subsidiaries (except for the issuance of shares of common stock issuable pursuant to outstanding options and other convertible securities and, in the case of As Seen On TV, certain shares and/or warrants issuable in connection with the As Seen On TV financing transaction) or (ii) any of its assets or any of its subsidiaries, except in the ordinary course of business;

.

declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock;

.

reclassify, combine, split, subdivide or redeem, or purchase or otherwise acquire, directly or indirectly, any of its capital stock;

.

acquire (including, without limitation, by merger, consolidation, or acquisition of stock or assets or any other business combination) any corporation, partnership, other business organization or any division thereof or any material amount of assets;

.

incur any indebtedness for borrowed money or issue any debt securities or assume, guarantee or endorse, or otherwise become responsible for, the obligations of any person, or make any loans or advances, or grant any security interest in any of its assets in excess of $100,000 except in the ordinary course of business;

.

enter into any contract or agreement other than in the ordinary course of business;

.

increase the compensation payable or to become payable or the benefits provided to its directors, officers or employees, except for increases in the ordinary course of business in salaries or wages of its or any of its subsidiaries employees who are not directors or officers or grant any severance or termination pay to, or enter into any employment or severance agreement with, any director, officer or other employee of it or any of its subsidiaries, or establish, adopt, enter into or amend any collective bargaining, bonus, profit-sharing, thrift, compensation, stock option, restricted stock, pension, retirement, deferred compensation, employment, termination, severance or other plan, agreement, trust, fund, policy or arrangement for the benefit of any director, officer or employee, except as otherwise required by law;

.

take any action, other than reasonable and usual actions in the ordinary course of business with respect to accounting policies or procedures;

.

make any tax election or settle or compromise any material United States federal, state, local or non-United States income tax liability;

.

pay, discharge or satisfy any claim, liability or obligation (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction, in the ordinary course of business, of liabilities reflected or reserved against in its consolidated balance sheet as at September 30, 2012 or subsequently incurred in the ordinary course of business;

.

amend, modify or consent to the termination of any material contract, or amend, waive, modify or consent to the termination of its or any of its subsidiaries material rights thereunder, other than in the ordinary course of business;

.

commence or settle any claim, action, suit, proceeding, arbitration, mediation or other investigation; or

.

announce an intention, enter into any formal or informal agreement or otherwise make a commitment, to do any of the foregoing.

Stockholders Meeting and Duty to Recommend

eDiets has agreed to hold a meeting of its stockholders as promptly as practicable following the effectiveness of the registration statement of which this proxy statement/prospectus forms a part for the purpose of obtaining stockholder adoption of the Merger Agreement.

eDiets board of directors has agreed (1) to recommend the adoption of the Merger Agreement by eDiets stockholders and (2) not to withdraw, modify or qualify its recommendation in any manner adverse to As Seen On TV, or take any action or make any other public statement in connection with the eDiets stockholder meeting, or in reference to an acquisition proposal (as defined below), inconsistent with its recommendation. In the event that eDiets engages in any of the activities described in clause (2) above, then eDiets board of directors may submit the Merger Agreement to eDiets stockholders without recommendation, in which event the board of directors of eDiets may communicate the basis for its lack of a recommendation to the eDiets stockholders to the extent required by law. In addition, unless the Merger Agreement is terminated in accordance with its terms, eDiets may not submit to the vote of its stockholders any acquisition proposal other than the merger with As Seen On TV and (without As Seen On TV s consent) adjourn, postpone or cancel (or propose to adjourn, postpone or cancel) the eDiets stockholder meeting, except to the extent required to obtain the required stockholder vote.

Notwithstanding the above, if eDiets complies with its non-solicitation obligations described under Restrictions on Solicitations of Other Offers eDiets may engage in any of the activities described in clause (2) above if eDiets board of directors, based on the advice of its outside counsel, determines in good faith that failure to take such action would be reasonably likely to result in a violation of its fiduciary duties under applicable law, and eDiets may engage in any of the activities described in clause (2) above in response to an acquisition proposal if in addition to satisfying the foregoing requirements:

.

eDiets board of directors concludes in good faith that such acquisition proposal constitutes a superior proposal (as defined below) after giving effect to all of the adjustments that may be offered by As Seen On TV;

.

eDiets notifies As Seen On TV, at least five business days in advance, of its intention to take such action, specifies the material terms and conditions of the superior proposal (including the identity of the person making such proposal) and furnishes to As Seen On TV a copy of the relevant proposed transaction agreement and other material documents; and

.

prior to taking such action, eDiets negotiates, and causes its financial and legal advisors to negotiate, in good faith with As Seen On TV (to the extent As Seen On TV desires to negotiate) to make such adjustments to the terms and conditions of the Merger Agreement such that the acquisition proposal no longer constitutes a superior proposal.

For purposes of the Merger Agreement, the term acquisition proposal means, in respect to either As Seen On TV or eDiets, as the case may be any inquiry, proposal or offer relating to any:

.

direct or indirect acquisition or purchase (whether in a single transaction or a series of transactions) of a business or businesses that constitutes 30% or more of the net revenues, net income or assets of the company and its subsidiaries, taken as a whole, or 30% or more of any class or series of the capital stock of the company or its subsidiaries,

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tender offer or exchange offer that if consummated would result in any person or group of persons beneficially owning 30% or more of any class or series of the capital stock of the company or its subsidiaries, or

.

merger, reorganization, consolidation, share exchange, business combination, recapitalization, liquidation, dissolution or similar transaction involving the company (or any of its subsidiar(ies) whose business or businesses constitute(s) 30% or more of the net revenues, net income or assets of the company and its subsidiaries, taken as a whole).

For purposes of the Merger Agreement, the term superior proposal means an acquisition proposal to acquire a majority of the total voting power or assets of As Seen On TV or eDiets, as the case may be, which was not obtained in violation of non-solicitation obligations described under Restrictions on Solicitations of Other Offers, that As Seen On TV s or eDiets board of directors, as the case may be, concludes in good faith, after consultation with its financial advisors and receiving the advice of its outside counsel, taking into account timing and all legal, financial, regulatory and other aspects of such proposal and the person making the proposal:

.

is more favorable to such company s stockholders, from a financial point of view, than the merger; and

.

is reasonably likely to be completed on the terms proposed.

Restrictions on Solicitations of Other Offers

Each of eDiets (beginning December 10, 2012) and As Seen On TV (beginning October 31, 2012) has agreed that it will not, and will cause its subsidiaries and its and its subsidiaries respective officers, directors, employees, agents, affiliates and representatives (including any investment bankers, attorneys or accountants) not to, directly or indirectly:

.

initiate, solicit, or encourage (including by way of providing information) the submission of any inquiries, proposals or offers that constitute or may reasonably be expected to lead to any acquisition proposal;

.

engage in any discussions or negotiations with respect to any acquisition proposal or otherwise cooperate with or assist or participate in, or facilitate any such inquiries, proposals, discussions or negotiations,

.

approve or recommend, or propose to approve or recommend, any acquisition proposal;

.

enter into any Merger Agreement, letter of intent, agreement in principle, share purchase agreement, asset purchase agreement or share exchange agreement, option agreement or other similar agreement providing for or relating to an acquisition proposal; or

.

enter into any agreement or agreement in principle requiring either As Seen On TV or eDiets to abandon, terminate or fail to consummate the transactions contemplated by the Merger Agreement or breach its obligations thereunder or propose or agree to do any of the foregoing.

The Merger Agreement provides, however, that, until 11:59 p.m., eastern standard time, on December 10, 2012, eDiets was permitted to:

.

initiate, solicit and encourage, whether publicly or otherwise, any acquisition proposal for eDiets (including by way of providing access to non-public information pursuant to confidentiality agreements with protections substantially similar to those contained in the confidentiality agreement between As Seen On TV and eDiets), provided that eDiets would promptly provide to As Seen On TV any material non-public information concerning eDiets or its subsidiaries that is provided to any person given such access which was not previously provided to As Seen On TV; and

.

enter into and maintain discussions or negotiations concerning an acquisition proposal for eDiets or otherwise cooperate with or assist or participate in, or facilitate any such inquiries, proposals, discussions or negotiations.

From and after 11:59 p.m., eastern standard time, on December 10, 2012, however, eDiets agreed to cease and terminate with all persons any solicitation, encouragement, discussion or negotiations existing at such time, unless the acquisition proposal offered by such person met the requirements in the following paragraph. eDiets did not receive an acquisition proposal that met such requirements during the aforementioned go-shop period.

Notwithstanding the aforementioned restrictions, if at any time after November 30, 2012, eDiets has otherwise complied with its non-solicitation obligations and it receives an unsolicited bona fide acquisition proposal, eDiets may engage in discussions with, or provide nonpublic information to, the person making the acquisition proposal, in each case if and only to the extent that:

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with respect to eDiets, the special meeting of eDiets stockholders has not occurred;

.

eDiets board of directors concludes in good faith after consultation with its financial advisors and outside counsel, that such acquisition proposal constitutes or is reasonably likely to result in a superior proposal;

.

prior to providing any nonpublic information, eDiets enters into a confidentiality agreement with the person making the acquisition proposal; and

.

eDiets contemporaneously provides to As Seen On TV any non-public information concerning eDiets or its subsidiaries provided to the party making the acquisition proposal which was not previously provided to As Seen On TV.

In addition, As Seen On TV may terminate the Merger Agreement in order to enter into an agreement with respect to a superior proposal if it has otherwise complied with its non-solicitation obligations and As Seen On TV s board of directors concludes in good faith after consultation with outside counsel, that that failure to take action with respect to such acquisition proposal would violate its fiduciary duties under applicable law. As Seen On TV must, within two business days, notify eDiets in the event it receives an acquisition proposal from a person or group of related persons, including the material terms and conditions thereof and the identity of the party making such proposal or inquiry. As Seen On TV must also keep eDiets reasonably apprised as to the status and any material developments, discussions and negotiations. Without limiting the foregoing, from and after the date of this Agreement, As Seen On TV shall promptly (within two business days) notify eDiets orally and in writing if it determines to begin providing information or to engage in negotiations concerning an As Seen On TV acquisition proposal received on or after the date of the Merger Agreement from a person or group of related persons.

Directors and Officers Indemnification and Insurance

From and after the Effective Time, As Seen On TV will cause the surviving corporation to indemnify, defend and hold harmless each present and former director and officer of eDiets (when acting in such capacity), determined as of the effective time, against any costs or expenses (including reasonable attorneys fees), judgments, fines, losses, claims, damages or liabilities incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of matters existing or occurring at or prior to the effective time, whether asserted or claimed prior to, at or after the effective time, to the fullest extent that eDiets would have been permitted under the Delaware Business Corporation Law and its certificate of incorporation, bylaws and other agreements in effect on the date hereof to indemnify such person.

As Seen On TV agreed to procure, fund and maintain continuing directors and officers liability insurance coverage for a period of three years after the effective time in an amount and upon terms substantially equivalent, but not superior, to such insurance of eDiets in effect as of the date of the Merger Agreement, provided, in no event shall As Seen On TV be required to pay aggregate premiums for insurance under this section in excess of 200% of the aggregate premiums paid by eDiets at the time of entering the Merger Agreement.

Conditions to Complete the Merger

The following conditions must be satisfied before the merger can become effective:

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the holders of eDiets capital stock must have approved the merger, the Merger Agreement and the transactions contemplated by the Merger Agreement;

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all required approvals, applications or notices with governmental entities shall have been obtained, except those approvals the failure of which to obtain would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on eDiets or As Seen On TV;

.

this proxy statement/prospectus shall have been declared effective under the Securities Act and no stop order suspending its effectiveness shall be in effect and no proceedings for such purpose shall be pending before or threatened by the SEC;

.

As Seen On TV shall continue to be quoted on the OTCQB or the OTCBB and registered under the Exchange Act and eDiets and As Seen On TV shall each have filed all of its reports required to be filed under the Securities Act and Exchange Act;

.

no provision of any applicable law shall prohibit or enjoin the consummation of the merger;

.

the expiration or termination of the waiting period applicable to the transactions contemplated by the Merger Agreement under the HSR Act and, if required, the receipt of other specified clearances, approvals or consents required or advisable to be obtained under antitrust laws of certain other specified jurisdictions.

Conditions Precedent to eDiets Obligations

eDiets obligations to effect the merger are subject to the fulfillment or satisfaction, prior to or on the closing date of the merger, of each of the following conditions:

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the representations and warranties of As Seen On TV and eDiets Acquisition Company contained in the Merger Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as if made on the closing date (except to the extent such representations and warranties speak as of an earlier date), except for such inaccuracies that individually or in the aggregate do not have a material adverse effect, and eDiets shall have received a certificate signed by the chief executive officer of As Seen On TV to the foregoing effect;

.

As Seen On TV and eDiets Acquisition Company shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Effective Time;

.

eDiets shall have received customary closing documentation from As Seen On TV and eDiets Acquisition Company, an opinion of counsel for As Seen On TV, dated the closing date and an opinion from an independent financial advisor to the effect that, as of the date of such opinion and subject to certain assumptions, qualifications and limitations set forth therein, the exchange ratio is fair, from a financial point of view, to the holders of eDiets common stock; and

.

As Seen On TV shall have received all state securities and blue sky permits and approvals necessary to consummate the transactions contemplated by the Merger Agreement.

Conditions Precedent to As Seen On TV s Obligations

As Seen On TV s obligations to effect the merger are subject to the satisfaction of the following conditions prior to the closing date of the merger:

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the representations and warranties of eDiets contained in the Merger Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as if made on the closing date (except to the extent such representations and warranties speak as of an earlier date), except for such inaccuracies that individually or in the aggregate do not have a material adverse effect, and As Seen On TV shall have received a certificate signed by the chief executive officer of eDiets to the foregoing effect;

.

eDiets shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Effective Time;

.

As Seen On TV shall have received customary closing documentation from eDiets, an opinion of counsel for eDiets, dated the closing date and an opinion from an independent financial advisor to the effect that, as of the date of such opinion and subject to certain assumptions, qualifications and limitations set forth therein, the exchange ratio is fair, from a financial point of view, to the holders of As Seen On TV common stock;

.

eDiets employees shall have executed confidentiality and protection of intellectual property agreements;

.

As Seen On TV s board of directors shall have authorized employment agreements with each of Jennifer Hartnett and Robert Smedley, in form and substance reasonably satisfactory to such respective individuals and As Seen On TV, to be entered into as of the effective time;

.

the holders of certain of eDiets related party obligations shall have entered into agreements mutually agreeable to such related parties and As Seen On TV pursuant to which such liabilities shall be modified so as not to become due and payable prior to or at the effective time and/or shall be converted into As Seen On TV common stock at or following the effective time; and

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dissenting shares shall comprise no more than 20% of the issued and outstanding shares of eDiets common stock.

Termination of the Merger Agreement

The Merger Agreement may be terminated, and the merger may be abandoned at any time prior to the closing date, whether before or after stockholder approval:

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by the mutual written agreement of eDiets and As Seen On TV;

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by either As Seen On TV or eDiets if (x) any Governmental Entity which must grant a Requisite Regulatory Approval has denied approval of the Merger and such denial has become final and nonappealable, (y) any Governmental Entity of competent jurisdiction shall have issued a final nonappealable order enjoining or otherwise prohibiting the consummation of the transactions contemplated by this Agreement, or (z) any Governmental Entity from which an Antitrust Approval is required has denied such approval and such denial has become final and nonappealable;

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by either As Seen On TV or eDiets if the merger has not been consummated on or before February 28, 2013 if the SEC does not elect to review the proxy/prospectus; otherwise, March 31, 2013, unless in either case the failure of the Effective Time to occur by such date shall be due to the failure of the party seeking to terminate this Agreement to perform or observe the covenants and agreements of such party set forth herein;

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by either As Seen On TV or eDiets (provided, that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein) if the other party shall have breached (i) any of the covenants or agreements made by such other party herein or (ii) any of the representations or warranties made by such other party herein, and in either case, such breach (x) is not cured within 10 days following written notice to the party committing such breach, or which breach, by its nature, cannot be cured prior to the Closing and (y) would entitle the non-breaching party not to consummate the transactions contemplated hereby under the terms of the Merger Agreement;

.

by either As Seen On TV or eDiets if the eDiets stockholders shall not have approved the merger by the requisite vote at the eDiets Stockholders Meeting or at any adjournment or postponement thereof;

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by As Seen On TV if a tender offer or exchange offer for 15% or more of the outstanding shares of eDiets Common Stock is commenced (other than by As Seen On TV or a Subsidiary thereof), and eDiets board recommends that the stockholders of eDiets tender their shares in such tender or exchange offer or otherwise fails to recommend that such stockholders reject such tender offer or exchange offer within the ten (10) business day period specified in Rule 14e-2(a) under the Exchange Act;

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by eDiets, prior to the receipt of the eDiets stockholders, in order to enter into a transaction that is a Superior Proposal (as defined in the Merger Agreement), if eDiets board authorizes eDiets, subject to complying with the terms of this Agreement, to enter into a definitive agreement with respect to a bona fide Acquisition Proposal and (A) eDiets board has concluded in good faith after consultation with its outside counsel and financial advisors that such Acquisition Proposal constitutes a Superior Proposal after giving effect to all of the adjustments which may be offered by As Seen On TV pursuant to clause (C) below, (B) eDiets has notified As Seen On TV in writing, at least five (5) Business Days in advance, of its intention to enter into a definitive agreement with respect to such Superior Proposal (the Termination Notice Period), specifying the material terms and conditions of such Superior Proposal (including the identity of the party making such Superior Proposal) and furnishing to As Seen On TV a copy of the relevant proposed transaction agreements with the party making such Superior Proposal and all other material documents, (C) during the Termination Notice Period, and in any event, prior to entering into a definitive agreement with respect to such Superior Proposal, eDiets has negotiated, and has caused its financial and legal advisors to negotiate, with As Seen On TV in good faith (to the extent As Seen On TV desires to negotiate) to make such adjustments in the terms and conditions of this Agreement so that such Acquisition Proposal ceases to constitute a Superior Proposal, and (D) concurrently with any termination pursuant to this Section 9.1(g), eDiets enters into a definitive agreement with respect to such Superior Proposal;

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by eDiets or As Seen On TV, if As Seen On TV shall have materially breached its obligations under its no-shop provisions; or

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by As Seen On TV, if the number of shares of eDiets common stock for which appraisal rights have been exercised, and not withdrawn, exceeds 20% of the outstanding eDiets common stock.

Effects of Termination; Payment of Expenses

In the event of termination of the Merger Agreement, no party thereto (or any of its directors or officers) shall have any liability or further obligation to any other party to the agreement, except to the extent that such termination results from willful and material breach by a party of any of its representations, warranties, covenants or agreements set forth in the Merger Agreement in which case such party shall be liable for all resulting liabilities or damages and as set forth below:

If the Merger Agreement is terminated:

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by either As Seen On TV or eDiets due to a material breach of any representation, warranty or covenant, then the party that has breached this Agreement shall pay to the other party, by wire transfer of immediately available funds, the sum of $1,000,000 (the Termination Payment) on or before the fifth Business Day following such termination;

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by either As Seen On TV or eDiets if the eDiets shareholders do not approve the transaction, then eDiets shall pay to As Seen On TV, by wire transfer of immediately available funds, the Termination Payment on the fifth Business Day following such termination;

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by As Seen On TV if a third-party has commenced a tender offer or exchange offer for more than 15% of the outstanding eDiets common stock and the eDiets board recommends that shareholders accept the offer or does not recommend that they reject such offer or by eDiets in connection with their acceptance of a Superior Proposal:

(1)

prior to eDiets No-Shop Period Start Date, then eDiets shall pay to As Seen On TV, by wire transfer of immediately available funds, all of As Seen On TV s actual and reasonably documented out-of-pocket fees and expenses (including reasonable legal fees and expenses) actually incurred by As Seen On TV and its affiliates on or prior to the termination of this Agreement in connection with the transactions contemplated by this Agreement as directed by As Seen On TV in writing, which amount shall not be greater than $250,000 (the As Seen On TV Expenses), on or before the fifth Business Day following such termination; or

(2)

on or after eDiets No-Shop Period Start Date, then eDiets shall pay to As Seen On TV, by wire transfer of immediately available funds, the Termination Payment on or before the fifth Business Day following such termination; and

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by either As Seen On TV or eDiets as a result of As Seen On TV breaching their No-Shop obligation, then As Seen On TV shall pay to eDiets, by wire transfer of immediately available funds, the Termination Payment, on or before the fifth Business Day following such termination

Accounting Treatment

As Seen On TV intends to account for the merger as an acquisition of eDiets by As Seen On TV using the acquisition method of accounting under generally accepted accounting principles. As Seen On TV will be deemed the acquiring party. As of December 14, 2012, As Seen On TV had 44,882,650 shares of common stock issued and outstanding. After the completion of the merger with the As Seen On TV wholly owned subsidiary, the results of operations of eDiets will be included in the consolidated financial statements of As Seen On TV. The purchase price will be allocated to eDiets assets and liabilities based on the fair values of the assets acquired and the liabilities assumed. These allocations will be made based upon valuations and other studies that have not yet been finalized. It is anticipated that the amount of intangible assets will be significant.

Material U.S. Federal Income Tax Consequences of the Merger

The discussion below summarizes the material United States federal income tax consequences of the merger generally applicable to holders of eDiets common stock who are United States persons, as defined for United States federal income tax purposes, and who hold their eDiets common stock as a capital asset. For United States federal income tax purposes, a United States person is:

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a United States citizen or resident alien as determined under the Internal Revenue Code of 1986, as amended (the Internal Revenue Code);

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a corporation, as defined by the Internal Revenue Code, that is organized under the laws of the United States, any state or the District of Columbia;

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an estate, the income of which is subject to United States federal income taxation regardless of its source; or

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a trust, if (1) a court within the United States is able to exercise primary supervision over its administration and at least one United States person is authorized to control all of its substantial decisions or (2) it has a valid election in effect, under applicable United States treasury regulations, to be treated as a United States person.

If a partnership, including any entity treated as a partnership for U.S. federal income tax purposes, is a beneficial owner of shares of eDiets common stock, the tax treatment of a partner in that partnership will generally depend on the status of the partner and the activities of the partnership. Holders of shares of eDiets common stock that are partnerships and partners in those partnerships are urged to consult their tax advisors regarding the United States federal income tax consequences of owning and disposing of shares of eDiets common stock in the merger.

The discussion below is based on provisions of the Internal Revenue Code, currently applicable United States Treasury regulations promulgated thereunder, and judicial and administrative decisions and rulings, all as currently in effect as of the date hereof, and all of which are subject to change, possibly with retroactive effect. Any such change could affect the continuing validity of this discussion.

No ruling from the Internal Revenue Service has been or will be sought. Accordingly, each eDiets stockholder should consult its tax advisor with respect to the particular tax consequences of the merger to such holder.

The discussion below does not purport to deal with all aspects of federal income taxation that may affect particular stockholders in light of their individual circumstances or that may affect stockholders subject to special treatment under federal income tax law. Stockholders subject to special treatment include:

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insurance companies, financial institutions, mutual funds, and broker-dealers;

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tax-exempt organizations;

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foreign individuals and entities;

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stockholders subject to the alternative minimum tax provisions of the Internal Revenue Code;

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stockholders who hold their stock as part of a hedge, wash sale, appreciated financial position, straddle, conversion transaction, synthetic security or other risk reduction transaction or integrated investment;

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dealers in securities;

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traders in securities that elect to use a mark to market method of accounting;

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persons that have a functional currency other than the dollar; and

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stockholders who have acquired their stock upon exercise of employee options or otherwise as compensation.

In addition, the discussion does not address any alternative minimum tax or any state, local or foreign tax consequences of the merger, nor does it address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010. Further, the discussion below does not consider the effect of any applicable state, local or foreign tax laws. Finally, the discussion below does not consider the tax consequences of the merger to holders of notes or of options, warrants or other similar rights to acquire eDiets stock.

You are urged to consult with your tax advisor as to the tax consequences of the merger to you in light of your particular circumstances, including the applicability and effect of any state, local or foreign tax laws.

Exchange of eDiets Common Stock

It is expected that the merger will constitute a reorganization for United States federal income tax purposes within the meaning of Section 368(a) of the Internal Revenue Code. Accordingly, the following are the material United States federal income tax consequences that will generally result from treatment of the merger as a reorganization described in Section 368(a) of the Internal Revenue Code:

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A holder of eDiets common stock will not recognize any gain or loss upon the receipt of As Seen On TV common stock in exchange for eDiets common stock in the merger.

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An eDiets stockholder s aggregate tax basis in the As Seen On TV common stock received in the merger in exchange for such stockholder s eDiets common stock will be the same as the aggregate basis of the eDiets common stock surrendered in the exchange. If holders of eDiets common stock acquired different blocks of eDiets common stock at different times or at different prices, any gain or loss will be determined separately with respect to each block of eDiets common stock and such holders basis and holding period in their shares of As Seen On TV common stock may be determined with reference to each block of eDiets common stock. Any such holders should consult their tax advisors regarding the manner in which cash and As Seen On TV common stock received in the exchange should be allocated among different blocks of eDiets common stock and with respect to identifying the bases or holding periods of the particular shares of As Seen On TV common stock received in the merger.

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An eDiets stockholder s holding period for the As Seen On TV common stock received in the merger in exchange for such stockholder s eDiets common stock will include the holding period for the eDiets common stock surrendered in the exchange.

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Neither As Seen On TV nor eDiets will recognize any gain or loss as a result of the transaction.

As noted above, no ruling from the Internal Revenue Service has been or will be sought in connection with the merger. The Internal Revenue Service is therefore not precluded from asserting a contrary opinion. If the Internal Revenue Service were to challenge successfully the reorganization status of the transaction, a holder of eDiets common stock would recognize gain or loss with respect to such stockholder s shares of eDiets common stock surrendered in the merger. The gain or loss would be equal to the difference between (1) the fair market value of the As Seen On TV common stock received in the merger and (2) the eDiets stockholder s adjusted tax basis in the eDiets common stock surrendered in the merger. Such stockholder s total tax basis in the As Seen On TV common stock received would equal its fair market value at the Effective Time and such stockholder s holding period for the stock would begin the day after the consummation of the merger.

Each eDiets stockholder who receives shares of As Seen On TV common stock in the merger is required to file a statement with his, her or its federal income tax return setting forth the stockholder s basis in the shares of eDiets common stock surrendered, the fair market value of the shares of As Seen On TV common stock received in the merger and is required to retain permanent records of these facts..

Consequences to Stockholders Exercising Appraisal Rights

The discussion above does not apply to stockholders who exercise appraisal rights. A holder of eDiets common stock who exercises appraisal rights with respect to the merger and receives cash in exchange for shares of eDiets common stock generally will recognize gain or loss equal to the difference between the amount of cash received and the stockholder s tax basis in the shares surrendered. Such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if the holding period of the eDiets common stock surrendered is more than one year. However, if the holder owns As Seen On TV stock actually or constructively by reason of the attribution rules under Section 318 of the Internal Revenue Code immediately after the merger, it is possible that the holder could be treated as receiving a dividend taxable as ordinary income. Dividend treatment will apply if the receipt of cash has the effect of a distribution of a dividend under Section 302 of the Internal Revenue Code. Stockholders exercising appraisal rights are urged to consult with their own tax advisers as to the application of Section 302 and the potential collateral consequences of dividend treatment in their particular circumstances. Any payment in respect of an exercise of appraisal rights may be subject to backup withholding.

Backup Withholding

Unless a stockholder complies with reporting and/or certification procedures or is an exempt recipient under the backup withholding and information reporting provisions of the Internal Revenue Code and treasury regulations, the stockholder may be subject to a withholding tax on any cash received in lieu of a fractional shares. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder s federal income tax liability, provided the requisite information is furnished to the Internal Revenue Service.

The above discussion is only intended to provide you with a general summary. It is not a complete analysis or description of every potential U.S. federal income tax consequence or any other consequence of the transaction. In addition, the discussion does not address tax consequences that may vary with, or are contingent on, your individual circumstances. Moreover, this discussion does not address any non-income tax or any foreign, state or local tax consequences of the transaction. Accordingly, we urge you to consult with your tax advisor to determine the particular U.S. federal, state, local or foreign tax consequences of the transaction to you.

Governmental and Regulatory Approvals

Other than the SEC declaring As Seen On TV s registration statement on Form S-4 relating to this transaction effective, and any state blue sky filings which may be required, As Seen On TV and eDiets do not believe that any additional material governmental filings are required in connection with the merger.

You are urged to consult with your tax advisor as to the tax consequences of the merger to you in light of your particular circumstances, including the applicability and effect of any state, local or foreign tax laws.

Additional Agreements of eDiets and As Seen On TV

The Merger Agreement requires that As Seen On TV lend eDiets (the Loan) on terms substantially similar to those set forth in the Original Note, which was filed with the Securities and Exchange Commission on September 11, 2012. On November 16, 2012, eDiets issued a promissory note to As Seen On TV (the New Note) pursuant to which eDiets will borrow the Loan. Interest accrues on the New Note at a rate of twelve percent (12%) per annum, and at the rate of eighteen percent (18%) per annum during the continuance of an event of default. The New Note will mature on the date that is ten business days following the first to occur of the following: (i) the closing date of the Merger Agreement; (ii) March 31, 2013; or (iii) an event of default under the New Note. All principal and accrued interest is due and payable in full on the maturity date of the New Note. If the maturity date occurs after the closing date of the Merger Agreement, payment will be made through conversion of the New Note into newly issued shares of common stock of eDiets at the same conversion price established in the Merger Agreement; otherwise, payment will be made in cash. If the Merger Agreement terminates, As Seen On TV will have the option to convert the Original Note and New Note into newly issued shares of eDiets common stock at a conversion price of $0.25 and $0.54 per share, respectively. Under the New Note, eDiets must comply with a number of covenants, including a covenant to make any payments due under the New Note prior to making payments in respect of indebtedness incurred following November 16, 2012, and a covenant not to incur certain additional indebtedness or grant certain liens over its assets without the prior written consent of As Seen On TV. As of December 14, 2012 the outstanding advances were $2.0 million.

Director Notes

As a condition to the Merger, As Seen On TV required both Kevin Richardson and Lee Isgur, current directors of eDiets, to agree to, at the Effective Time, (1) convert $600,000 of their $800,000 outstanding notes into shares and warrants of As Seen On TV on the same terms and conditions as those which As Seen On TV issued equity in its anticipated private placement and (2) extend the maturity dates on the remaining $200,000 of outstanding notes, together with accrued interest, from December 31, 2012 to June 30, 2013. As Seen On TV completed the anticipated private placement in November 2012. Based on terms of that offering, at the Effective Time, the $600,000 of notes held by Messrs. Richardson and Isgur shall convert into an aggregate of 857,143 shares of As Seen On TV common stock and warrants to purchase an aggregate of 428,571 shares of As Seen On TV common stock exercisable at $0.80 per share. In connection with the private placement, of which up to $1.5 million will be available to be lent to eDiets, Messrs Richardson and Isgur also agreed, upon conversion of their notes to execute a lock-up agreement restricting their sale of shares received upon conversion for [180] days.

In addition, As Seen on TV agreed to repay at the Effective Time a promissory note in the principal amount of $200,000, along with related accrued interest, held by Kevin McGrath, eDiets former CEO.

Acceleration of eDiets Director Options

At the Effective Time, all of the options (288,866 options as of September 30, 2012) held by the members of eDiets board who are resigning at the Effective Time (all the directors other than Mr. Richardson) will immediately vest and the term for exercise will be extended from 90 days post-resignation until the original term of the option.

eDiets Celebrity Endorsement

On November 28, 2012, As Seen On TV entered into a Binding Memorandum of Terms Agreement with Eight Entertainment, LLC and Primary Wave Talent Management, LLC. Pursuant to the agreement, Eight Entertainment and Primary Wave have granted As Seen On TV and eDiets a license to use CeeLo Green s name and likeness in connection with his endorsement of eDiets personalized weight-loss-oriented meal delivery products and services. The term of the Agreement is for a period of two years. During the term of the agreement, CeeLo Green has agreed to appear for and participate in the filming and production of video footage and photography and to make personal appearances and utilize social media to endorse, promote and sell eDiets products and services. In consideration for granting the license and performing the endorsement services, As Seen On TV has agreed to compensate Eight Entertainment and Primary Wave with a package consisting of $250,000, a 2% royalty based on an increase in annual eDiets earnings (if any), and warrants to purchase 6,500,000 shares of the As Seen On TV s common stock. The warrants are exercisable for a period of 5 years, subject to CeeLo Green achieving certain milestones, at exercise prices ranging from $.01 to $2.00 per share.

Restrictions on Resales by Affiliates

Kevin Richardson, the majority shareholder and an executive officer of eDiets and Lee Isgur, currently a member of the eDiets board of directors, each have agreed to enter into agreements to restrict the resale of the shares of common stock they receive in connection with the merger and conversion of their eDiets promissory notes consistent with the resale restrictions agreed to by Steve Rogai, As Seen On TV s current chief executive officer, in connection with As Seen On TV s recent private placement.

Advisory Fee

On August 14, 2012, As Seen On TV engaged National Securities Corporation, a registered broker dealer, to assist and advise management on the potential acquisition of eDiets and related Merger Agreement. In consideration of the advisory services, As Seen On TV agreed to pay National a fee equal to 1% of the merger consideration, which currently equals approximately 190,773 shares of As Seen On TV common stock and a cash payment of $60,000.

INFORMATION ABOUT AS SEEN ON TV

As Seen On TV Business Description

Overview

As Seen On TV, Inc., a Florida corporation was organized in November 2006 under the name H&H Imports, Inc. On October 27, 2011, it changed its name to As Seen On TV, Inc. As Seen On TV operates as a direct response marketing organization which identifies, advises in development and marketing of consumer products. As Seen On TV employs three primary channels: direct response television (infomercials), television shopping networks and retail outlets which may include brick and mortar, internet, catalog and print media. As Seen On TV believes the principal competitive factors include authenticity of information, unique content and distinctiveness and quality of product, brand recognition and price.

As Seen On TV holds a wholly owned interest in the following subsidiaries: TV Goods, Inc., a Florida corporation and Tru Hair, Inc., a Florida corporation. Primarily all of its historical and current operations are conducted through TVG, which was organized as a wholly owned subsidiary of TV Goods in October 2009. The company has operated at a loss since its inception. As Seen On TV may continue to incur losses as it attempts to develop and expand its operations and to market and sell products. No assurance can be given that As Seen On TV will achieve or sustain profitability

On May 27, 2011, As Seen On TV entered into an agreement to acquire certain assets from Seen on TV, LLC, primarily consisting of the rights to the domain names asseenontv.com and seenontv.com . This transaction, completed on June 28, 2012 provides As Seen On TV with exclusive use of the domain names. The terms or phrases As Seen On TV or Seen on TV are not subject to trademark protection and has been and will continue to be, used by third parties, including on-line retail outlet applications with no connection with, or benefit to, As Seen On TV.

Industry

Direct response marketing is a form of marketing designed to solicit a direct response which is specific and quantifiable. The delivery of the response is direct between the viewer and the advertiser, as the customer responds to the marketer directly. In direct response marketing, marketers use broadcast media to get customers to contact them directly. Cable networks represent the traditional conduit for direct response television programming. Historically, direct response television programming has aired on cable networks during off-peak periods. The deregulation of the cable television industry in 1984 and the resulting proliferation of channels dedicated to particular demographic segments, pursuits or lifestyles have created additional opportunities for direct response programming. As Seen On TV believes the continued growth of satellite and cable subscribers has positioned direct response television as an effective marketing channel with significant domestic and international growth prospects.

The leading product categories for direct response television programs are cosmetics, fitness/exercise products, diet/nutrition products, kitchen tools and appliances, self-improvement/education/motivation courses, music and home videos/DVDs. Typically direct response television programs incorporate an infomercial in either short form (30 second to 5 minute) or long form (28.5 minute) direct response programs. The formats discuss and demonstrate products and provide a toll-free number or website for viewers to purchase.

As the industry has developed, the variety of products and services promoted through direct response television programs has steadily increased. Direct response television programs are now routinely used to introduce new products, drive retail traffic, schedule demonstrations and build product and brand awareness for products ranging from automobiles to mutual funds.

Recent years have also seen a convergence of direct response television programs with Internet direct response marketing. Virtually all direct response television programs now display a website in addition to a toll-free telephone number. The addition of an e-commerce component can enhance sales. As Seen On TV believes the principal competitive factors include authenticity of information, unique content and distinctiveness and quality of product, brand recognition and price. There is no guarantee that it will achieve growth or develop profitable products.

Revenue Generation

As Seen On TV generates direct response sales of consumer products, sale of consumer products through a live-shop TV venue and ownership and operation of the URL AsSeenOnTV.com which operates as a web based outlet for the Company and other direct response business. In addition, the Company generates limited revenue through the production of infomercials for third parties and direct response related speaking engagements.

Inventors and entrepreneurs submit products or business concepts for its review. Once As Seen On TV identifies a suitable product/concept it attempts to negotiate to obtain global marketing and distribution rights. These marketing and distribution agreements stipulate profit sharing, typically a royalty to the inventor or product owner. Through September 30, 2012, As Seen On TV has marketed several products with limited success.

Product Development

As Seen On TV provides resources to develop consumer products from initial concepts to global distribution. It does not manufacture products. As Seen On TV solicits product submission through numerous sources including but not limited to inventors, product owners, design companies, manufacturers, advertising and media agencies, production houses, and trade shows. It employs internal methodology utilizing several selection criteria to evaluate product submissions. Each product is graded on its internal system, points are awarded for various factors including but not limited to product design, application, target market, retail price, competitive products, and proprietary nature of the product. The selection process includes market tests in which the potential market demand for a product is quantified on the basis of its performance in certain test markets. Upon acceptance As Seen On TV attempts to negotiate exclusive marketing rights for both domestic and international marketing channels.

Once As Seen On TV obtains marketing rights, the company typically designs a direct response marketing test campaign to gauge potential market demand. Under a test campaign an infomercial spot is placed on a limited basis on local cable outlets. Employing internal standards As Seen On TV evaluates the spot for market viability. Upon a successful test As Seen On TV coordinates a comprehensive campaign geared to a national audience. In this manner it seeks to allot resources to products which appeal to consumers, and limit resources devoted to products which may not prove viable.

As Seen On TV designs, creates and produces direct response marketing campaigns primarily in the form of infomercial programming. The typical format is infomercial spots in the form of short form spots (30 seconds to 5 minutes), or long format (28.5 minutes). Direct response television marketing can create rapid customer awareness and brand loyalty. As Seen On TV seeks to maintain a low cost structure. As Seen On TV performs product testing, marketing development, media buying and direct response television production and it outsources functions such as manufacturing, order processing and fulfillment. While there are no guarantees that a product will be successful, this allows As Seen On TV to reduce its risk by controlling variable costs.

As Seen On TV believes media exposure of a direct response television campaign can reduce barriers to gain access to retail outlets which can increase profitability for a consumer product. Viable consumer products possess customer awareness and brand loyalty. As Seen On TV seeks to extend product lifecycles through other distribution channels such as home shopping channels and retail outlets. Thereafter As Seen On TV seeks to penetrate retail outlets which include the internet, retail, catalog, radio and print.

Supply and Distribution

As Seen On TV typically works with third party distributors, suppliers and manufactures on a per order basis. In the event that a manufacturer is unable to meet supply or manufacturing requirements at some time in the future, As Seen On TV may suffer short-term interruptions of delivery of certain products while it establishes an alternative source. In most cases alternative sources are readily available and As Seen On TV has established working relationships with several third party distributors, suppliers and manufacturers. As Seen On TV also relies on third party carriers for product shipments, including shipments to and from distribution facilities. As Seen On TV is therefore subject to the risks, including employee strikes and inclement weather, associated with its carriers ability to provide delivery services to meet its fulfillment and shipping needs. Failure to deliver products to its customers in a timely and accurate matter would harm its reputation, business and results of operations.

Competition

The direct response marketing industry is a large, fragmented and competitive industry. The United States direct response marketing industry has a diverse set of channels, including direct mail, telemarketing, television, radio, newspaper, magazines and others. The list of market leaders fluctuates constantly. Companies marketing popular products dominate the airwaves and control media time. Furthermore, established brick-and-mortar retail competitors have recently made efforts to sell products through direct response marketing channels.

Intellectual Property

As Seen On TV has applied for U.S. trademark registration with the United States Patent and Trademark Office (the USPTO) for U.S. trademarks for TV Goods , TruHair by Chelsea Scott , and Kevin Harrington . The mark PITCH TANK® is registered in As Seen On TV s name with the USPTO.

Research and Development

Generally, product concepts are developed by independent third parties. Inventors submit product concepts for its input and advice. Accordingly As Seen On TV research and development efforts are extremely limited in scope. In certain cases inventors may submit a raw product concept. In most cases further investment in research and development would be the responsibility of the inventor. However, there are products which As Seen On TV is developing internally on a limited basis and such costs are not significant to date.

Regulation of Products and Services

As Seen On TV s business is subject to a number of governmental regulations, including the Mail or Telephone Order Merchandise Rule and related regulations of the Federal Trade Commission. These regulations prohibit unfair methods of competition and unfair or deceptive acts or practices in connection with mail and telephone order sales and require sellers of mail and telephone order merchandise to conform to certain rules of conduct with respect to shipping dates and shipping delays. As Seen On TV is also subject to regulations of the U.S. Postal Service and various state and local consumer protection agencies relating to matters such as advertising, order solicitation, shipment deadlines and customer refunds and returns. In addition, imported merchandise is subject to import and customs duties and, in some cases, import quotas. As Seen On TV believes it (and the products it represents) to be in compliance with all applicable provisions of those laws and rules.

Employees

At September 30, 2012, As Seen On TV employed 16 full-time employees and contract personnel; four of which are management. As Seen On TV maintains a satisfactory working relationship with its employees and has not experienced any labor disputes or any difficulty in recruiting staff for operations.

Management s Discussion and Analysis of Financial Condition and Results of Operations of As Seen On TV

This discussion presents As Seen On TV management s analysis of its results of operations and financial condition as of and for each of the years ended March 31, 2012 and 2011 and for the periods ended September 30, 2012 and 2011. The discussion should be read in conjunction with As Seen On TV s consolidated financial statements and the notes related thereto which appear elsewhere in this prospectus and unaudited consolidated interim financial statements and the notes related thereto which appear elsewhere in this prospectus.

Critical Accounting Policies and Estimates

As Seen On TV prepares its financial statements in accordance with accounting principles generally accepted in the United States. It is required to make estimates and judgments in preparing its financial statements that affect the reported amounts of its assets, liabilities, revenue and expenses. As Seen On TV bases its estimates on historical experience to the extent practicable and on various other assumptions that it believes are reasonable under the circumstances and at the time they are made. If its assumptions prove to be inaccurate or if future results are not consistent with historical experience, it may be required to make adjustments in its policies that affect its reported results. As Seen On TV s most critical accounting policies and estimates include its allowance for doubtful accounts, share based compensation and estimated sales returns. As Seen On TV also has other key accounting policies that are less subjective and therefore, their application would not have a material impact on its reported results of operations. The following is a discussion of its most critical policies, as well as the estimates and judgments involved.

Revenue Recognition

As Seen On TV recognizes revenue from product sales in accordance with FASB ASC 605 *Revenue Recognition*. Following agreements or orders from customers, it ships product to customers often through a third party facilitator. Revenue from product sales is only recognized when substantially all the risks and rewards of ownership have transferred to its customers, the selling price is fixed and collection is reasonably assured. Typically, these criteria are met when its customers order is received by them and As Seen On TV receives acknowledgment of receipt by a third party shipper.

As Seen On TV has a return policy whereby the customer can return any product within 60-days of receipt for a full refund, excluding shipping and handling. However, historically As Seen On TV has accepted returns past 60-days of receipt. As Seen On TV provides an allowance for returns based upon specific product warranty agreements and past experience and industry knowledge. All significant returns for the periods presented have been offset against gross sales. As Seen On TV also provides a reserve for warranty, which is not significant and is included in accrued expense.

Share-Based Payments and Warrants

As Seen On TV recognizes share-based compensation expense on stock option awards. Compensation expense is recognized on that portion of option awards that are expected to ultimately vest over the vesting period from the date of grant. Options granted vest over their requisite service periods as follows: 6 months (50% vesting); 12 months (25% vesting) and 18 months (25% vesting). As Seen On TV granted no stock options or other equity awards which vest based on performance or market criteria. As Seen On TV had applied an estimated forfeiture rate of 10% to all share-based awards, which represents that portion it expected would be forfeited over the vesting period. As Seen On TV reevaluates this analysis periodically and adjust estimated forfeiture rate as necessary.

As Seen On TV utilized the Black-Scholes option pricing model to estimate the fair value of its stock options and warrants. Calculating share-based compensation expense requires the input of highly subjective judgment and assumptions, including estimates of expected life of the award, stock price volatility, forfeiture rates and risk-free interest rates. The assumptions used in calculating the fair value of share-based awards represent its best estimates, but these estimates involve inherent uncertainties and the application of management judgment. As a result, if factors change and As Seen On TV uses different assumptions, its share-based compensation expense could be materially different in the future.

Results of Operations for the Three Month and Six Month Periods Ended September 30, 2012 as Compared to the Three Months and Six Month Periods Ended September 30, 2011

A comparative summary of the source of As Seen On TV revenues generated for the periods presented is as follows:

	Three Months Ended September 30,						**Six Months Ended September 30,**					
	2012			**2011**			**2012**			**2011**		
Product sales	$	538,331	84%	$	195,476	76%	$	881,955	85%	$	508,080	68%
		9,643	2%		33,520	13%		23,750	2%		45,681	6%

Speaking engagement fees								
Infomercial production income	2,250		15,000	6%	44,750	4%	130,104	18%
Royalty fees	87,500	14%	14,499	5%	87,500	9%	60,518	8
	$ 637,724	100%	$ 258,495	100%	$ 1,037,955	100%	$ 744,383	100%

As detailed above, for the three months and six months ended September 30, 2012, approximately 84% and 85% of As Seen On TV revenue, respectfully, was attributable to product sales of products for which its contracted marketing and distribution rights. While there can be no assurance, management believes that continuing to develop a marketing strategy based upon distributing developed products for which As Seen On TV has ownership or licensing rights, will ultimately prove a successful strategy. Due primarily to this increase in focus on product sales rather than infomercial productions for third parties, revenue increased 147% and 39% for the three month and six month periods ending September 30, 2012, over the comparable periods of the preceding year. As Seen On TV intends to continue to focus its efforts on the direct response marketing of identified products and shift its focus away from infomercial production.

The increase in royalty fees reflects minimum fees due As Seen On TV resulting from its acquisition of the AsSeenOnTV.com URL, completed in June 2012. While there can be no assurance, it is hoped that these royalty fees will increase in the future as web-related revenues for those utilizing its website increase.

Cost of Revenue

Cost of revenues for the three months ended September 30, 2012 totaled $549,480 or 86% of related revenues compared to 90% of revenues for the three months ended September 30, 2011. This reduction, while not significant, was due to a change in product mix between the periods to products which generally carry a higher margin.

Cost of revenues for the six months ended September 30, 2012, totaled $1,033,307 or 99% of related revenues compared to 92% for the comparable period of the preceding year. This decline in gross profit was also attributable to the product mix between periods. Often the test marketing of new products will indicate that a particular product is not well received through a direct response program and the project will be dropped. This industry wide practice can, and often does, result in the recognition of costs for a particular product in excess of related revenues.

Costs associated with product sales include the direct costs of purchasing the products marketed as well as fulfillment costs associated with the taking and shipment of orders, merchant discount fees and shipping and freight costs.

As Seen On TV does not manufacture any products in-house and relies on third-party suppliers, located primarily outside of the United States, for its inventory. Accordingly, its cost of products acquired for sale could vary significantly if fuel and transportation costs were to increase in the future.

Operating Expenses

Operating expenses, consisting of selling and marketing expenses and general and administrative expenses, increased for both the three month and six month periods ended September 30, 2012, over the comparable periods of the preceding year.

The increase in selling and marketing expense is directly attributable to the increase in product sales between the periods. General and administrative expenses increased during its second quarter of the current year to $974,164 over the second quarter of the previous year which totaled $886,086. The principal component of this increase was salaries and salary related expenses as As Seen On TV has increased its in-house marketing staff to promote and accommodate a 147% increase in revenues between the periods.

General and administrative expenses increased during the first six months of As Seen On TV s fiscal year to $2,265,934 from $1,800,530 for the same period of the prior year, a 25% increase between the periods. As with the quarter-over-quarter increase, the largest single component was salaries and related expenses which increased approximately $200,000 between the periods, representing 43% of the total overall increase. Stock based compensation related to employee stock options remained relatively constant increasing to $135,108 from $123,426 for the prior year. Also included in the increase was insurance related expenses which totaled $89,082 during the current year compared to $28,900 for the six month period ending September 30, 2011. This increase totaling approximately $60,000 was due primarily to As Seen On TV s implementation of an employee health insurance program and the increase in the general level of sales activity and requisite increase in the level of inventory related coverage.

General and administrative expenses declined as a percentage of revenue for both the three month and six month periods ending September 30, 2012, compared to the prior year periods as a result of the increase in sales not requiring a corresponding increase in related support and administrative expenditures. While there can be no assurance, As Seen On TV expects this trend to continue as As Seen On TV s revenues increase in the future.

Other Income and Expenses

Other income for the quarter and six month periods ending September 30, 2012, totaled $13,972,492 and $4,646,193, respectively, compared to expense recognized of $11,237,772 and $10,702,382 for the comparable periods of the preceding year. The largest single component contributing to all these amounts was the income or expense recognized on the periodic revaluation of the fair value of financing related warrants outstanding at the end of each period that, based on their provisions, are carried as liabilities on As Seen On TV s records. For the three month and six month periods ending September 30, 2012, it recognized income on periodic warrant revaluations of $14,758,437 and $5,429,786, respectively. These income amounts compare to expense recognized for comparable periods of the preceding year of $6,089,324 and $5,565,771, respectively. These periodic revaluations can, and most likely will, continue to result in significant, non cash, income or expense being recognized at the end of any given period depending on fluctuations in the market value of its stock on each remeasurement date.

Other income and expense for the three months and six months ended September 30, 2011, included a loss of extinguishment of debt of $2,950,513 and income of $61,677 and $209,351, respectively, which did not occur in the comparable periods of the current year.

Interest expense for all periods presented represents the accretion to interest expense of debt discounts and debt issuance costs associated with debt financings of As Seen On TV. Interest expense recognized for the three months and six months ended September 30, 2012, is primarily attributable to its $1,275,000 12% senior secured convertible note transaction which closed in September 2012. Interest expense recognized in the comparable periods in the prior year represented accretion attributable to a $750,000 convertible debenture issued in April 2011 and a $1,800,000 12% convertible debenture issued in August 2011. It anticipates recognizing the balance of unaccredited debt discount and debt issuance costs associated with its September 2012 financing, totaling approximately $778,000, in its upcoming third fiscal quarter.

Results of Operations for the year ended March 31, 2012 as Compared to the year ended March 31, 2011

Revenue for the year ending March 31, 2012, totaled $8,165,470, representing a significant increase over the preceding year. Revenues for the year ending March 31, 2011, totaled $1,354,238. This increase is due in large part to the prior year s start up phase, with As Seen On TV having commenced operations in October 2009, and the commencement of As Seen On TV s marketing of its Living Pure line of space heaters commencing in the third fiscal quarter of the fiscal year ending March 31, 2012. Accordingly, traditional period-over-period comparisons of revenues and related costs would be of limited value. Sales of the Living Pure space heaters, which commenced in November 2011, accounted for approximately 63% of total revenues for the year ending March 31, 2012. While As Seen On TV anticipates sales to continue to increase, this growth rate should not be viewed as sustainable over the long-term. It should also be noted that the line of heaters is a seasonal product and As Seen On TV has experienced a sharp decline in demand following the end of the 2012 winter season.

Major customers are those customers that account for more than 10% of revenues. For the year ended March 31, 2012, 37% of revenues were derived from two major customers and the accounts receivable from these major customers represented 67% of total accounts receivable as of March 31, 2012. The loss of these customers would have a material adverse affect on As Seen On TV s operations. There were no major customers for the year ended March 31, 2011.

In December 2011, As Seen On TV began marketing a line of proprietary hair and beauty products under the name of TruHair by Chelsea Scott . These sales are being managed and controlled through its wholly-owned subsidiary, TruHair, Inc., formed in November 2011. Sales of TruHair by Chelsea Scott totaled approximately $618,000 for the year ended March 31, 2012.

A comparative summary of the source of As Seen On TV revenues generated for the periods presented is as follows:

	Year Ended March 31,	
	2012	**2011**
Living Pure Heater	$ 5,168,192	$
Other product sales	2,044,617	348,271
Speaking engagement fees and royalty fees	500,457	20,469
Infomercial production income	452,204	985,498

	$	8,165,470	$	1,354,238

The ability to fund such a sharp expansion in operations, including the funding of necessary media purchases, inventories and related logistics and administrative support was made possible through a funding completed in October and November 2011 with gross proceeds of $12,500,000.

As Seen On TV s revenue model also includes providing infomercial production for others as well as marketing specific products for which it has contractual rights to the revenue stream. As detailed above, for the year ending March 31, 2012, approximately 6% of its revenue was attributable to infomercial production income, with the balance being generated by specific product sales for which it contracted marketing and distribution rights. For the year ended March 31, 2011, revenues were $1,354,238, primarily resulted from infomercial production revenue billed, which represented 73% of total revenues for the year. As Seen On TV expects this trend in product mix to continue in the future. While there can be no assurance, management believes that developing a marketing strategy based upon distributing developed products for which As Seen On TV has ownership or the licensing rights, will ultimately prove a successful strategy.

Cost of revenue for the year ended March 31, 2012, represented 77% of revenues for the period. These costs consist primarily of the direct costs to As Seen On TV of products sold including related shipping. As Seen On TV does not manufacture any products in-house and relies on third-party suppliers, located primarily outside of the United States, for its inventory. Accordingly, cost of products acquired for sale could vary significantly if fuel and transportation costs were to increase in the future. Cost of revenue for the year ended March 31, 2011 was $1,838,367 and represented 136% of revenues for the period. These costs primarily consisted of fees charged for the shooting and editing of infomercials primarily for its clients.

Selling and marketing expenses are comprised of promotional costs incurred related to sales of As Seen On TV s own products. These costs totaled $3,517,765 for the year ended March 31, 2012. The prior year did not contain these costs as prior year revenues were primarily related to fees for planning, shooting and editing of promotional materials for others. Components of these costs include:

	Year Ended March 31, 2012		
Media purchases	$	2,700,687	77%
Production design costs		147,040	4%
Call center support		587,238	17%
Other		82,800	2%
	$	3,517,765	100%

As Seen On TV operates in a very competitive environment, competing in different media with products that may be very similar to those of its competitors. Accordingly, management will often test a product, on a limited basis, in a targeted market and attempt to assess the products potential prior to investing in a larger roll-out. As Seen On TV attempts to price the product at a level that will prove both attractive to its customer while providing As Seen On TV with a reasonable return. Often the test marketing will indicate that a particular product is not well received by a Direct Response program and the project will be dropped. This practice can, and sometimes does, as with the year ending March 31, 2011, result in the recognition of costs in excess of related revenues.

General and administrative expenses consist primarily of administrative labor costs, consulting fees, marketing related travel expenses, business development costs and legal and accounting fees. Included in the costs in the year ended March 31, 2012, are certain non-cash expenses including stock based compensation of $356,702 and other equity based compensation to consultants totaling approximately $316,707 and the impairment of the $150,000 investment in the Military Shopping Channel. While there can be no assurance, As Seen On TV anticipates that selling, general and administrative expenses will decline as a percentage of revenues as it continues to increase sales through the implementation of its marketing and growth plans. General and administrative expenses totaled $4,271,965 in 2011 and consist primarily of administrative labor costs, marketing related travel, business development and investor relations related fees. In addition, As Seen On TV recognized a $432,100 loss in an investment in Sleek Audio, LLC. The investment in Sleek Audio was made under an October 2010 three party agreement which provided As Seen On TV would invest up to $500,000 to include $250,000 in tooling for a proprietary ear phone product. During its fourth fiscal quarter of 2011, the contract was terminated by one of the three participants with small likelihood of As Seen On TV recovering its investment. Accordingly, the investment was fully written-off during the fourth quarter of 2011. Also included in these costs are certain non-cash expenses including stock based compensation expenses of $560,880 and the fair value of shares issued for consulting services of $365,000.

For the year ended March 31, 2012, As Seen On TV recognized approximately $5,452,000 in income resulting from the revaluation of the fair value of warrants outstanding which were recorded as a liability on its balance sheet. This periodic revaluation could also result in a significant expense being recognized at the end of any given period depending on the market value of its stock. The warrants were issued in connection with a series of financings completed during the year and are revalued at the end of each reporting period to their fair value. In addition during the current fiscal year, As Seen On TV recognized income in the form of a change in a derivative liability of approximately $209,000. It should be noted that absent the revaluation of its warrants outstanding at March 31, 2012, As Seen On TV would have recognized a net loss of approximately $13,529,000 for the year ending March 31, 2012.

As a result of the series of amendments and waivers related to As Seen On TV s August 29, 2011, 12% convertible financing and the financing itself, As Seen On TV recognized certain fair value related entries indicated under the related guidance including ASC 470-Debt.

As Seen On TV s $750,000 convertible debenture held by Octagon Capital Partners was given extinguishment of debt recognition resulting in:

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revaluation of the related derivative which, following revaluation, was reclassified to equity;

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recognition of a loss on extinguishment of the debt of $2,950,513;

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the expensing, to interest expense, of the unaccreted balance in the related debt issuance costs of $277,524; and

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The recognition of the fair value of the note obligation on the extinguishment date of $3,144,163, subsequently converted into its Unit offering completed in October 2011.

As a result of the extinguishment of debt treatment, As Seen On TV did not recognize interest expense going forward on accretion related to the Octagon note discount or debt issuance costs balances as they were expensed in total concurrent with the extinguishment recognition in its second fiscal quarter ended September 30, 2011.

In connection with the recording of the August 28, 2011 $1,800,000 12% convertible debt financing, As Seen On TV recorded:

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a debt discount equal to $1,800,000 which was accreted to interest expense over a two month period, approximately $900,000 per month, being fully expensed at its exchange conversion into the October 28, 2011 financing; and

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recognition of debt issuance costs associated with transaction related warrants totaling $1,522,784 was accreted to interest expense over a two month period.

During the quarter ended December 31, 2011, in connection with its $1,800,000 debenture financing, As Seen On TV recognized approximately an additional $900,000 and $887,000 in accretion to interest expense related to the note discount and issuance related costs recognized. In addition, As Seen On TV marks-to market the fair value of the related warrants issued.

In connection with its $1,800,000 12% convertible debenture issuance in August 2011, As Seen On TV issued warrants to the investors and placement agent which contained provisions that protect holders from a decline in the issue price of As Seen On TV s common stock or down-round provisions. The warrants also contained net settlement provision