

Special Report:
ZOOM Fails. VERB LIVE The Solution!

VERB Technology Company, Inc.

[NASDAQ: VERB](#)

VERB Launches Secure, Interactive Video Conferencing Technology
JUST As ZOOM's Security Fails ([NASDAQ: ZM](#))



Amazing. We just got off a pre-launch webinar hosted by VERB Technology Company, Inc. on the company's exciting new interactive webinar sales program 'VERB Live' and the only word that we all could say after was "Amazing." Okay, so one associate said "Incredible", but you get our point. The brainchild of President, CEO & Chairman Rory Cutaia (pictured above), who himself is a major success story, **VERB Technology Company, Inc. (NASDAQ: VERB)** is amazing and we are eager to explain to our readers why.

The webinar, hosted by VERB director and former **Apple, Inc.** Senior Vice President, General Counsel and Secretary Nancy Heinen, showed us a game changer for online marketing and sales.

After this incredible VERB webinar, we were shocked to read in the UK Daily Mail:

ZOOM Under Scrutiny Over Privacy, Porn Hacks

Zoom is investigated by FBI after quarantined workers' virtual conferences are hacked with PORN

- * Some users have complained their conferences have been 'Zoom-bombed' with pornography and hateful messages and images
- * The FBI's Boston office warned it has received multiple complaints
- * NY state Attorney General Letitia James sent a letter to Zoom with questions 'to ensure the company is taking appropriate steps to ensure users' privacy'

Read the full article here:

<https://www.dailymail.co.uk/news/article-8173759/US-investigates-Zoom-porn-hacks.html>

*Incredibly bad news for ZOOM,
but incredibly good timing for VERB!*



KEY VERB VALUE POINTS TO CONSIDER



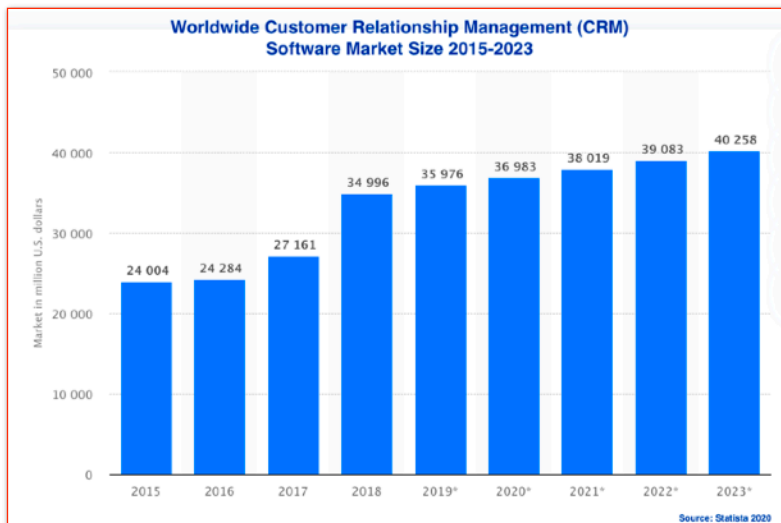
- ✓ Strong management team from Apple Inc., Microsoft, Disney, MySpace Telx Group, Herbalife and others
- ✓ Partnerships with multiple tech giants like Microsoft, Facebook, Oracle, Adobe, Shopify, Salesforce and many others
- ✓ Over 1 million customers for VERB's video-based, interactive CRM
- ✓ Launching the world's ONLY **secure**, e-commerce enabled, interactive CRM webinar platform, patent-pending
- ✓ Total 2019 annualized revenue up 33% over 2018
- ✓ Strong valuation data from Yahoo!Finance
- ✓ Highly noteworthy institutional shareholders
- ✓ Low float number of shares issued & low float



VERB Technology Company, Inc. (or simply “VERB”) is “The *only* provider of interactive video-based CRM sales and marketing applications” in the world. For those of you unfamiliar with what CRM sales and marketing is, it can best be described as follows.

Customer Relations Management (CRM) is a technology for managing all a company’s relationships and interactions with customers and potential customers. The goal is predominantly to improve business & sales relationships. A CRM system helps companies stay connected with customers, streamline processes, and improve profitability (e.g. Salesforce, Oracle Netsuite, and Adobe Marketo).

The CRM market is huge and only getting bigger. According to a report by leading provider of market and consumer data Statista Inc. titled CRM Software Market Revenues Worldwide, 2015 to 2023, the global CRM software market is forecast to grow to **US\$40.26 billion by 2023**.



According to a new report by pros at Expert Market Research (EMR) titled Global CRM Market Report and Forecast 2020-2025, the global CRM industry is expected to witness healthy growth, displaying a CAGR (compound annual growth rate) of 14.75% in the forecast period of 2020 - 2025 to attain **US\$63.47 billion by 2025**. That’s big business.

VERB provides top-of-the-line, next-generation CRM lead generation, sales enablement, video marketing software and analytics applications. These applications are available to sales-based organizations in over 60 countries and in 48 languages.

Great right? But here’s the kicker...

VERB offers the only interactive video sales & marketing CRM applications IN THE WORLD!

The company’s proprietary, patent-pending technology platform produces results that are often measured in ‘real-time’, or the actual time during which something (i.e. a transaction) takes place. VERB is pleased that some customers have reported greater than **600% increases** in conversion rates (the measurement of the number of leads converted into paying customers). VERB’s software-as-a-service (SaaS) products are cloud-based, accessible on all mobile and desktop devices, and are available by subscription for individual and enterprise users alike.

Click-to-Buy and other in-video, clickable links facilitate impulse buying in order to accelerate the sales process.

On February 26th, 2020, VERB announced the company had officially **surpassed one million users** for its interactive video-based CRM platform. This increase amounts to nearly double the total user count compared to the same period the previous year. This should demonstrate to investors VERB's ability to and focus on increasing shareholder value.

The Direct Sales Business

Worldwide revenue for Direct Sales companies is approximately **\$193 billion**, according to the World Federation of Direct Selling Associations (WFDSA). This a huge global industry, one in which VERB director Judith Hammerschmidt was a big player as Executive Vice President and International Chief Counsel for **Herbalife International** from 1996 until the company was acquired for **US\$685 million** by J.H. Whitney & Company in 2002.



Herbalife (NYSE: HLF) is now third largest Direct Sales company in the world, with a market capitalization of just over US\$4.0 billion at the date of this report.

The US direct selling industry is comprised of ~21,000 establishments (single-location firms and units of multi-location firms), according to the US Census Bureau, with combined annual revenue of about \$35.4 billion, according to the Direct Selling Association (DSA) Statistical Database.

"Our mission at VERB is to provide the most effective, easy-to-use, and affordable sales tools available in the market today."

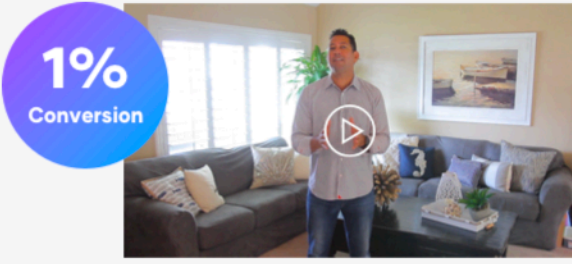

*- Rory Cutaia
President & CEO*

VERB's Direct Sales Customers

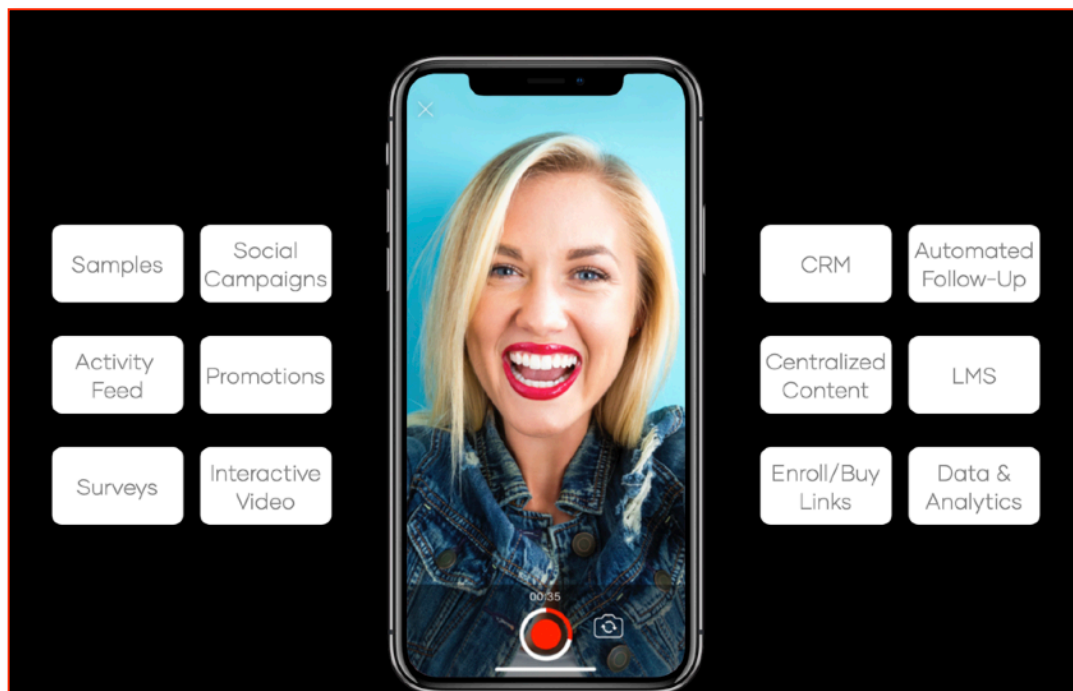
VERB's versatile CRM platform is an extremely valuable tool for the millions of people involved in global Direct Sales. The company has realised an **85% gross profit margin** from Direct Sales customers and is the current positive cash flow side of business.

In sales, when a buyer is 'sold' and is ready to buy a product or

service, VERB's CRM enables the salesperson to affect a sale while the buyer is *still in the video session*. This prevents distraction and second-guessing by the buyer as much as possible, leading to a higher conversion rate or percentage of successful transactions.

Standard Video	Verb GO Video
	
Over 10X higher! 1,200% – 1,400% increased conversion!	
According to Forbes, 90% of customers say video helps them make buying decisions and 64% of customers say that seeing a video makes them more likely to buy. Our recent case study shows that Verb GO videos with interactive actions convert even 10x higher than standard video. Wow!	

The reason users experience up to 600% conversion rates using VERB's technology - the sale happens in real-time when the buyer wants to buy, within the video itself! This enables the buyer to complete the purchase within the video with no need to leave the VERB ecosystem.



Interactive Video:
Send interactive videos with clickable action links

verb LIVE

VERB LIVE: The World's *FIRST* Secure Live Broadcast / Live Stream Interactive Video e-Commerce Webinars

We're excited to discuss VERB's new remote working and selling technology tool: **VERB LIVE**.

The business world has changed. Covid-19 has caused a great number of companies to move their employees to work from home, a shift that is expected to radically change the structure of companies around the world.

VERB LIVE takes broadcasting and live stream selling to a new level with its proprietary, on-screen, interactive e-commerce capabilities. VERB LIVE is a next-generation webinar platform that allows event hosts to utilize a variety of sales-driving features, **including posting interactive icons on-screen that all viewers can click in real-time to purchase products or services**, driving friction-free selling.

VERB LIVE is also **entirely browser-based**, allowing it to work easily and effectively on all devices, without requiring resource-hungry, performance-killing downloads.

With VERB LIVE, companies of any size and in any industry can leverage the benefits of interactive video sales technology to ensure that their businesses stay running and their sales teams can keep selling.

The new VERB LIVE is the first of many products to come out of intensive R&D paid for by the 85% profit margin from the company's Direct Marketing products, an extremely prudent move by management in our view.

Past **Apple, Inc.** executive & VERB director Nancy Heinen was astute in discussing VERB LIVE:

*"In order to ensure that remote teams remain as productive as possible during this [Covid-19] crisis, businesses large and small are turning to technology to provide solutions. Fortunately, there are several solutions available to mitigate the problems out-of-office and social distancing requirements have presented, some better and more effective than others. However, I believe our new VERB LIVE platform is the **must have tool** for all businesses, in fact for all influencers, as well as social and affiliate sellers - and for that matter - anyone - who not only wants to communicate more effectively, but also wants to sell more effectively in this environment."*

Now, please pay attention...

VERB's technology is currently being integrated into Enterprise Resource Planning (ERP), CRM and marketing platforms, offered by **the following Tech Giants** and many others:



If this doesn't tell investors that VERB is on the right track toward maximizing shareholder value, we don't know what will.

Institutional Shareholders

When major institutional investment groups invest take a share position in a company, it gives us greater confidence in that company. Why? Mainly because these groups do not invest frivolously and do in-depth research prior to making an investment decision. While **everyone should do their own due diligence** prior to making any investment decisions, when pros invest we pay attention. And VERB is supported by some of the best:



Sound Share Structure

The company effectuated a name change and a reverse stock split of its issued and outstanding common stock at a split ratio of 1-for-15 after the close of business on Friday, February 1, 2019, as part of its planned up-listing to NASDAQ.

As of the end of March 2020, VERB had **23,524,753 common shares** outstanding. **(*CONFIRM*)**

To date, there have been no insider share dispositions, **only accumulations** in the market. This is immense confidence by insiders in their own company, a good sign for speculative investors.

(*Estimated float information here*)

VERB Valuation Measures

*Smart investors can realize incredible gains
by backing the right company... at the right time.*

Source: Yahoo!Finance 03/28/20	Current	9/30/2019	6/30/2019	3/31/2019	12/31/2018
Market Cap (intraday) ⁵	26.94M	25.28M	44.62M	77.56M	57.32M
Enterprise Value ³	29.84M	27.99M	48.02M	78.92M	58.12M
Price/Sales (ttm)	2.91	3.91	655.03	1.96k	1.37k
Price/Book (mrq)	1.53	1.36	N/A	N/A	N/A
Enterprise Value/Revenue ³	4.51	9.74	12.86	8.77k	10.25k
Enterprise Value/EBITDA ⁶	-3.44	-11.56	-41.36	-41.32	-18.34

³ Data derived from multiple sources or calculated by Yahoo Finance.

⁵ Shares outstanding is taken from the most recently filed quarterly or annual report and Market Cap is calculated using shares outstanding.

⁶ EBITDA is calculated by Capital IQ using methodology that may differ from that used by a company in its reporting.

The Price/Sales (P/S) ratio, is a key analysis and valuation tool that shows how much investors are willing to pay per dollar of sales for a stock. The P/S ratio is calculated by dividing the stock price by the underlying company's sales per share. *A low ratio could imply the stock is undervalued while a ratio that is higher-than-average could indicate that the stock is overvalued.**

Look at VERB's P/S ratio at 03/31/2019 and compare it to the Current P/S ratio...

The Price/Book (P/B) ratio has been favored by value investors for decades and is widely used by market analysts. Traditionally, any value under 1.0 is considered a good P/B for value investors, indicating a potentially undervalued stock. However, *value investors may often consider stocks with a P/B value under 3.0 as their benchmark.**

Look at VERB's current P/B ratio... is it under 3.0?

Enterprise Value/Revenue (EV/R) multiple helps compares a company's revenues to its enterprise value. The lower the better, in that, *a lower EV/R multiple signals a company is undervalued.**

Look at VERB's Current EV/R multiple... the lowest in the past twelve months?

Enterprise Value/EBITDA (EV/EBITDA) multiple is used to determine the value of a company. The enterprise multiple looks at a firm in the way that a potential acquirer would by considering the company's debt. *Stocks with an enterprise multiple of less than 7.5x based on the last twelve months is generally considered a good value.**

Look at VERB's EV/EBITDA multiple... is it less than 7.5x?

* Source: Investopedia

Strong VERB Management

As we like to point out repeatedly in almost every edition of The Venture Letter, **professional investors tend to bet on people** more than any other aspect of a business. This is why we avoid reviewing companies with unqualified (or even suspicious) management teams. **NOTE: We see the VERB team as almost over-qualified and totally reputable.**

“When we own portions of outstanding businesses with outstanding managements, our favourite holding period is FOREVER.”

- Warren Buffet

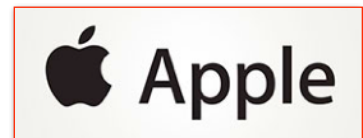
Mr. Rory J. Cutaia - Founder, President / Chief Executive Officer & Chairman of the Board

- ✓ Founded **VERB Technology Company, Inc.** (néé bBooth) investing over US\$2.8 million personal capital; provides vision and leadership for the management team; establishes VERB goals, objectives, policies and procedures with a focus on maximizing shareholder value at all times.
- ✓ Founded **Telx Group** in year 2000 which became the international leader in the data-center sector; sold the start-up in just over 6 years for **US\$215 million in cash**, an ROI of 1,800% to early investors; **“Rory made all his employees & private investors millionaires on Tlex” CONFIRM**; Telx sold again in 2015 for over **US\$1.9 Billion**
- ✓ Prior partner at a NYC-based private equity fund, creating other successful ventures
- ✓ Started as a key attorney at a major New York City law firm



Mrs. Nancy Heinen - Member of the Board of Directors

- ✓ Senior Vice President, General Counsel & Secretary of **Apple, Inc.** recruited by Apple founder **Steve Jobs** in 1997; key member of the executive team that turned Apple's struggling computer business into a consumer product powerhouse. Apple, Inc. reached a market capitalization of over **US\$1.3 trillion** in December 2019.
- ✓ Board member & past Chairperson of The Silicon Valley Social Venture Fund (SV2)
- ✓ Advisory boards of Illuminate Ventures and the UCB Center for Law & Business
- ✓ Winner of The Silicon Valley Social Venture Fund “Social Impact Award”



Mr. Jim duBois - Head of the VERB Advisory Board

- ✓ 25-years at **Microsoft Corporation**; Chief Information Officer at Microsoft from 2013-2017; built, secured, and ran Microsoft's internal systems; led Microsoft's application, infrastructure & security team



Mr. Chad Thomas - Director of Technology, Development & Engineering

- ✓ Architect, designer and coder of **MySpace.com**; built the platform that accommodated rapid global growth for tens of millions of users
- ✓ Co-Founder, architect, and CTO of Lifespeed, Inc., a revolutionary health and wellness data storage platform
- ✓ CTO of Swarm Engineering, where he created the technology to allow edge IoT devices to work in a swarm to solve problems in a traditional cloud-based analytics architecture



Mr. Jeff Clayborne - Chief Financial Officer

- ✓ Past Senior Finance Manager at **The Walt Disney Company** for Walt Disney International
- ✓ Over 20 years finance, business development, strategy, negotiation and accounting experience
- ✓ Vice President & Head of Finance, Fontana - Universal Music Group
- ✓ Proven record of driving growth and profit for Fortune 100, as well as start-up companies



Mrs. Judith Hammerschmidt - Member of the Board of Directors

- ✓ Executive VP & International Chief Counsel of direct sales giant **Herbalife International** starting 1996 and was a key player in the 2002 sale of Herbalife in for **US\$685 million**
- ✓ 37 years as an international attorney, general counsel and corporate board member
- ✓ Joined Dickstein, Shapiro & Morin, LLP representing clients including Pfizer, Merck, BCCI Bank of the United Arab Emirates, Guess?Inc Recycled Paper Products Inc.
- ✓ Special Assistant to two consecutive US Attorneys Generals



The Honourable Phillip J. Bond - Director & Governance / Nominating Committee Chair

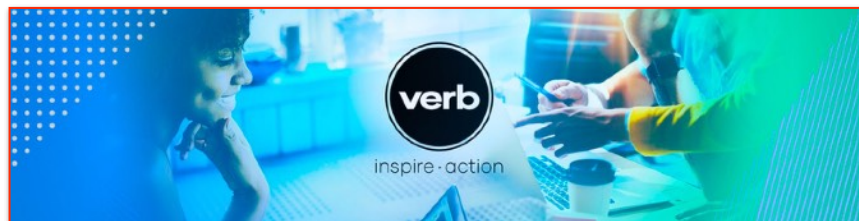
- ✓ President of Gov't Relations at Potomac International Partners, Inc.
- ✓ **Undersecretary, U.S. Department of Commerce for Technology 2001 to 2005**
- ✓ Chief of Staff to Commerce Secretary Donald Evans 2002 to 2003
- ✓ Head of Operations - National Institute of Standards and Technology (NIST), the Office of Technology Policy, and the National Technical Information Service
- ✓ Senior VP Gov't Relations at Monster Worldwide, the world's largest online career site
- ✓ Director of Federal Public Policy for the Hewlett-Packard Company
- ✓ Senior VP Gov't Affairs & Treasurer of Information Technology Industry Council



- ✓ Chief of Staff to the late Congresswoman Jennifer Dunn (R-WA)
- ✓ Chief of Staff & Rules Committee Associate for Congressman Bob McEwen (R-OH)
- ✓ Special & Principal Deputy Assistant of the Secretary of Defense for Legislative Affairs
- ✓ Leadership roles in the Executive branch, on Capitol Hill, at major high technology companies, and most recently as the CEO of TechAmerica

Mr. Kenneth S. Cragun - Director & Audit Committee Chair

- ✓ CFO of **CorVel Corporation** (NASDAQ: CRVL) which has a current market capitalization of **US\$942 million**
- ✓ CFO experience in numerous multi-national businesses which generated annual revenues up to US\$600 million
- ✓ Over 30 years in finance, leading major financing transactions in more than 20 countries
- ✓ Two-time finalist Orange County Business Journal’s ‘CFO of the Year: Public Companies’



Corona Virus Consideration

In light of the global COVID-19 pandemic, social distancing and remote work have become the new norm. In this safety environment, maintaining business continuity is essential and all the more difficult for smaller businesses without the necessary resources to effectively communicate with employees, customers and partners. Ex-Apple exec and VERB board member Nancy Heinen recently stated:



“In today’s uncertain economic climate, VERB is delivering tools that can not only enable mission critical business continuity, but can also add a heightened level of productivity, with a positive and direct impact on the bottom line. As more and more organizations, particularly SMBs, are scrambling to provide infrastructure for remote work, VERB LIVE can provide for many of those now-vital needs. For sales teams in particular, LIVE provides a simple, easy-to-use interface with powerful data and analytics.”

Final Thoughts

We recently learned that VERB's CEO & CFO both work for further shares in the company and *not* for cash. This shows immense confidence in one's own company and where it is going. As well, shares are issued to them **at market value**, not at a discount and are restricted from sale. In effect, this means whenever they are 'paid' they are basically buying shares at the same price as investors are **at that time**. Talk about good practices to provide further investor and shareholder confidence.

The VERB team do a good job in regularly communicating with shareholders, too. Not only is this highly commendable, it is also half the battle in ensuring maximised market value: preventing unnecessary share disposition. As well, **sound shareholder communication can lead the way to the accumulation of further shares**.

VERB Technology Company, Inc (NASDAQ: VERB)

The **Venture Letter** will be providing follow-up reports on the company in the weeks ahead. Keep a close eye open our reports and for any and all news from what we view as:

“A Technology Giant In The Making”

For more investor information, contact the company's dedicated investor relations team at Ph: (949) 574-3860, or via email at verb@gatewayir.com. We encourage you to visit VERB website to see it all in action at www.verb.tech.



Stay safe, good luck and good hunting.



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RISK OF BIAS. We often own shares in the companies we feature. For those reasons, please be aware that we are extremely biased with regard to the companies we write about and feature in our newsletter and on our website.

NOTE: As of the date of publication of this special report, The Venture Letter's principals do not own any shares of VERB Technology Company, Inc. As well, VERB Technology Company, Inc. has not engaged The Venture Letter for the production of this special report.

The President/CEO of VERB Technology Company, Inc. has read and approved this edition of The Venture Letter.