

INNOVA HOLDINGS  
Form PRER14A  
August 24, 2006

**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. 2)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-12

**INNOVA HOLDINGS, 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):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

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

(3) Filing Party:

(4) Date Filed:

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Innova Holdings, Inc.

NOTICE OF SPECIAL MEETING

and

PROXY STATEMENT

2006

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INNOVA HOLDINGS, INC.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To be held October 6, 2006

TO THE STOCKHOLDERS OF INNOVA HOLDINGS, INC.

You are cordially invited to the 2006 Special Meeting of Stockholders of Innova Holdings, Inc., which will tentatively be held at Sanibel Harbour Resort & Spa, Island Room, 17260 Harbour Pointe Drive, Ft. Myers, FL 33908, on Friday, October 6, 2006 beginning at 10:00 a.m., local time. The Special Meeting will be held for the following purposes:

1. To elect 5 members to our Board of Directors, each to hold office for the terms as set forth in herein, and until his successor is elected and qualified (Proposal 1);
2. To authorize our Board of Directors, in its discretion, to amend our certificate of incorporation to effect a reverse stock split of the issued and outstanding shares of our Common Stock at a ratio of either one-for-eight or one-for-ten, as determined at the discretion of the board of directors to be in the best interests of the Company without further approval from our stockholders (the "Reverse Stock Split") (Proposal 2);
3. To adopt our Amended and Restated 2005 Stock Option Plan (Proposal 3); and
4. To transact such other business as may properly come before the meeting or any postponements or adjournments of the meeting.

BECAUSE OF THE SIGNIFICANCE OF THESE PROPOSALS TO THE COMPANY AND ITS STOCKHOLDERS, IT IS VITAL THAT EVERY SHAREHOLDER VOTES AT THE SPECIAL MEETING IN PERSON OR BY PROXY.

These proposals are fully set forth in the accompanying Proxy Statement, which you are urged to read thoroughly. For the reasons set forth in the Proxy Statement, your Board of Directors recommends a vote "FOR" each of the proposals. The Company intends to mail the Annual Report, Proxy Statement and Proxy enclosed with this notice on or about \*, 2006, to all stockholders entitled to vote at the Special Meeting. If you were a stockholder of record of our common stock on September 5, 2006, the record date for the Special Meeting, you are entitled to vote at the meeting and any postponements or adjournments of the meeting. Stockholders are cordially invited to attend the Special Meeting. However, whether or not you plan to attend the meeting in person, your shares should be represented and voted. After reading the enclosed Proxy Statement, please sign, date, and return promptly the enclosed proxy in the accompanying postpaid envelope we have provided for your convenience to ensure that your shares will be represented. If you do attend the meeting and wish to vote your shares personally, you may revoke your Proxy.

We hope that you will use this opportunity to take an active part in our affairs by voting on the business to come before the Special Meeting, either by executing and returning the enclosed Proxy Card or by casting your vote in person at the meeting.

BY ORDER OF THE BOARD OF DIRECTORS

WALTER K. WEISEL

*Chairman of the Board of Directors*

Fort Myers, Florida

August \*, 2006

**Stockholders unable to attend the special meeting in person are requested to date and sign the enclosed proxy card as promptly as possible. A stamped envelope is enclosed for your convenience. If a stockholder receives more than one proxy card because he or she owns shares registered in different names or addresses, each proxy card should be completed and returned.**

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**INNOVA HOLDINGS, INC.**  
**17105 San Carlos Boulevard, Suite A6151**  
**Fort Myers, Florida 33931**  
**(239) 466-0488**

**PROXY STATEMENT**

**SPECIAL MEETING OF STOCKHOLDERS**

**October 6, 2006**

**INTRODUCTION**

This Proxy Statement is furnished to the stockholders by the Board of Directors of Innova Holdings, Inc., for solicitation of proxies for use at the 2006 Special Meeting of Stockholders to be tentatively held at Sanibel Harbour Resort & Spa, Island Room, 17260 Harbour Pointe Drive, Ft. Myers, FL 33908, on Friday, October 6, 2006 beginning at 10:00 a.m., local time, and at any and all adjournments of the meeting.

The purpose of the Special Meeting and the matters to be acted upon are set forth in the following Proxy Statement. As of the date of this Proxy Statement, our Board of Directors knows of no other business which will be presented for consideration at the Special Meeting. A stockholder giving a proxy pursuant to this solicitation may revoke it at any time before it is exercised by submitting a duly executed proxy bearing a later date or by delivering to our Corporate Secretary a written notice of revocation prior to the Special Meeting, or by appearing at the meeting and expressing a desire to vote his or her shares in person. Subject to such revocation, all shares represented by a properly executed proxy received prior to or at the Special Meeting will be voted by the proxy holders whose names are set forth in the accompanying proxy in accordance with the instructions on the proxy. If no instruction is specified with respect to a matter to be acted upon, the shares represented by the proxy will be voted "FOR" the election of the nominees for director and "FOR" each other matter set forth in this Proxy Statement. If any other business properly comes before the meeting, votes will be cast in accordance with the proxies in respect of any such other business in accordance with the judgment of the persons acting under the proxies.

It is anticipated that the mailing to stockholders of this Proxy Statement and the enclosed proxy will commence on or about \*, 2006.

**OUTSTANDING SECURITIES AND VOTING RIGHTS**

Only stockholders of record at the close of business on the record date of September 5, 2006 are entitled to notice of and to vote at the Special Meeting. At that date there were \* outstanding shares of our common stock, par value \$.001 per share, \* outstanding shares of our preferred stock, par value \$.001 per share, our only outstanding voting securities. At the Special Meeting, each share of common stock will be entitled to one vote.

The representation, in person or by properly executed proxy, of the holders of a majority of the voting power of the shares of stock entitled to vote at the Special Meeting is necessary to constitute a quorum for the transaction of business at the meeting. Stockholders are not entitled to cumulate their votes. Abstentions and broker non-votes (shares held by a broker or nominee which are represented at the Special Meeting, but with respect to which such broker or nominee is not empowered to vote on a particular proposal) are counted for purposes of determining the presence or absence of a quorum for the transaction of business. In all matters, abstentions have the effect of votes against a proposal in tabulations of the votes cast on proposals presented to stockholders, while broker non-votes do not have any effect for purposes of determining whether a proposal has been approved.

**QUESTIONS AND ANSWERS ABOUT**

**ABOUT THE MEETING AND VOTING**

**1. WHAT IS A PROXY?**

It is your legal designation of another person to vote the stock that you own. That other person is called a proxy. If you designate someone as your proxy in a written document, that document also is called a proxy or a proxy card. Walter K. Weisel, our Chief Executive Officer, and Sheri Aws, our Corporate Secretary, have been designated as proxies for the 2006 Special Meeting of Stockholders.

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**2. WHAT IS THE RECORD DATE AND WHAT DOES IT MEAN?**

The record date for the 2006 Special Meeting of Stockholders is September 5, 2006. The record date is established by our Board of Directors as required by Delaware law and our By-laws. Stockholders of record (registered stockholders and street name holders) at the close of business on the record date are entitled to:

- (a) receive notice of the meeting; and
- (b) vote at the meeting and any adjournments or postponements of the meeting.

**3. WHAT IS THE DIFFERENCE BETWEEN A REGISTERED STOCKHOLDER AND A STOCKHOLDER WHO HOLDS STOCK IN STREET NAME?**

If your shares of stock are registered in your name on the books and records of our transfer agent, you are a registered stockholder.

If your shares of stock are held for you in the name of your broker or bank, your shares are held in street name. The answer to Question 13 describes brokers' discretionary voting authority and when your bank or broker is permitted to vote your shares of stock without instructions from you.

**4. WHAT ARE THE DIFFERENT METHODS THAT I CAN USE TO VOTE MY SHARES OF COMMON STOCK OR PREFERRED STOCK?**

- (a) In Writing:

All stockholders of record can vote by mailing in their completed proxy card (in the case of registered stockholders) or their completed vote instruction form (in the case of street name holders).

- (b) In Person:

All stockholders may vote in person at the meeting (unless they are street name holders without a legal proxy).

**5. HOW CAN I REVOKE A PROXY?**

You can revoke a proxy prior to the completion of voting at the meeting by:

- (a) giving written notice to our Corporate Secretary;
- (b) delivering a later-dated proxy; or
- (c) voting in person at the meeting.

**6. ARE VOTES CONFIDENTIAL? WHO COUNTS THE VOTES?**

We will hold the votes of each stockholder in confidence from directors, officers and employees except:

- (a) as necessary to meet applicable legal requirements and to assert or defend claims for or against us;

- (b) in case of a contested proxy solicitation;
- (c) if a stockholder makes a written comment on the proxy card or otherwise communicates his or her vote to management; or
- (d) to allow the independent inspectors of election to certify the results of the vote.

**7. WHAT ARE THE VOTING CHOICES WHEN VOTING ON DIRECTOR NOMINEES, AND WHAT VOTE IS NEEDED TO ELECT DIRECTORS?**

When voting on the election of director nominees to serve for the terms as set forth herein, stockholders may:

- (a) vote in favor of all nominees;
- (b) vote to withhold votes as to all nominees; or
- (c) withhold votes as to specific nominees.

Directors will be elected by a plurality of the votes cast.

Our Board recommends a vote "FOR" all of the nominees.

**8. WHAT ARE THE VOTING CHOICES WHEN VOTING ON THE APPROVAL OF THE AMENDMENT TO OUR CERTIFICATE OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT OF THE ISSUED AND OUTSTANDING SHARES OF OUR COMMON STOCK AT A RATIO OF EITHER ONE-FOR-EIGHT OR ONE-FOR-TEN, AS DETERMINED AT THE DISCRETION OF THE BOARD OF DIRECTORS TO BE IN THE BEST INTERESTS OF THE COMPANY WITHOUT FURTHER APPROVAL FROM OUR STOCKHOLDERS AND WHAT VOTE IS NEEDED TO APPROVE?**

When voting on the amendment to our Certificate of Incorporation to effect a reverse stock split of the outstanding shares of our Common Stock at a ratio of either one-for-eight or one-for-ten, as determined at the discretion of the board of directors to be in the best interests of the Company without further approval from our stockholders, stockholders may:

- (d) vote in favor of the amendment;
- (e) vote against the amendment; or
- (f) abstain from voting on the amendment.

The amendment will be approved if the votes cast "FOR" are a majority of the votes present at the meeting. The Board recommends a vote "FOR" the amendment.

**9. WHAT ARE THE VOTING CHOICES WHEN VOTING ON THE APPROVAL OF THE AMENDED AND RESTATED 2005 STOCK OPTION PLAN AND WHAT VOTE IS NEEDED TO APPROVE?**

When voting on the approval of the Amended and Restated 2005 Stock Option Plan, stockholders may:

- (a) vote in favor of the Plan;
- (b) vote against the Plan; or

(c) abstain from voting on the Plan.

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The Plan will be approved if the votes cast "FOR" are a majority of the votes present at the meeting. The Board recommends a vote "FOR" the Plan.

**10. WHAT IF A STOCKHOLDER DOES NOT SPECIFY A CHOICE FOR A MATTER WHEN RETURNING A PROXY?**

Stockholders should specify their choice for each matter on the enclosed proxy. If no specific instructions are given, proxies which are signed and returned will be voted FOR the election of all director nominees, FOR the amendment to our Certificate of Incorporation to effect a reverse stock split of the outstanding shares of our Common Stock at a ratio of either one-for-eight or one-for-ten, as determined at the discretion of the board of directors to be in the best interests of the Company without further approval from our stockholders, and FOR the approval of our Amended and Restated 2005 Stock Option Plan.

**11. WHO IS ENTITLED TO VOTE?**

You may vote if you owned stock as of the close of business on September 5, 2006. Each share of our common stock is entitled to one vote. As of September 5, 2006, we had \* shares of common stock outstanding.

**12. WHAT DOES IT MEAN IF I RECEIVE MORE THAN ONE PROXY CARD?**

It means that you have multiple accounts with brokers or our transfer agent. Please vote all of these shares. We recommend that you contact your broker or our transfer agent to consolidate as many accounts as possible under the same name and address. Our transfer agent is Continental Stock Transfer and Trust Company, 17 Battery Place, New York, NY 10004, or you can reach Corporate Stock Transfer at (212) 509-4000.

**13. WILL MY SHARES BE VOTED IF I DO NOT PROVIDE MY PROXY?**

If your shares are registered in your name, they will not be voted unless you submit your proxy card, or vote in person at the meeting. If your shares are held in street name, your bank, brokerage firm or other nominee, under some circumstances, may vote your shares.

Brokerage firms, banks and other nominees may vote customers' unvoted shares on "routine" matters. Generally, a broker may not vote a customer's unvoted shares on non-routine matters without instructions from the customer and must instead submit a "broker non-vote." A broker non-vote is counted toward the shares needed for a quorum, but it is not counted in determining whether a matter has been approved.

**14. ARE ABSTENTIONS AND BROKER NON-VOTES COUNTED?**

Broker non-votes will not be included in vote totals and will not affect the outcome of the vote. In matters other than the elections of directors, abstentions have the effect of votes against a proposal in tabulations of the votes cast on proposals presented to stockholders.

**15. HOW MANY VOTES MUST BE PRESENT TO HOLD THE MEETING?**

To hold the meeting and conduct business, a majority of our outstanding voting shares as of September 5, 2006 must be present at the meeting. On this date, a total of \* shares of our common stock were outstanding and entitled to vote. Shares representing a majority, or \* votes, must be present. This is called a quorum.

Votes are counted as present at the meeting if the stockholder either:

- (d) Is present and votes in person at the meeting, or

(e) Has properly submitted a proxy card.

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**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information as to the shares of our common stock beneficially owned as of August 10, 2006 by (i) each person known to us to be the beneficial owner of more than 5% of our common stock; (ii) each director and nominee for director; (iii) each executive officer; and (iv) all of our directors and executive officers as a group. Unless otherwise indicated in the footnotes following the table, the persons as to whom the information is given had sole voting and investment power over the shares of common stock shown as beneficially owned by them. Unless otherwise indicated, the address of each person shown is c/o Innova Holdings, Inc., 17105 San Carlos Boulevard, Suite A6151, Fort Myers, Florida 33931.

Walter K. Weisel	62,128,047	8.14%
Martin Nielson (1)	36,751,700	4.85