

SPEEDEMISSIONS INC  
Form 10-Q  
August 12, 2008  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 10-Q**

**x QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2008

**.. TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: 000-49688

**Speedemissions, Inc.**

(Exact name of small business issuer as specified in its charter)

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**Florida**  
(State or other jurisdiction of  
incorporation or organization)

**33-0961488**  
(I.R.S. Employer  
Identification No.)

**1015 Tyrone Road**

**Suite 220**

**Tyrone, GA**  
(Address of principal executive offices)

**30290**  
(Zip Code)

**Issuer's telephone number (770) 306-7667**

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of August 4, 2008, there were 5,162,108 shares of common stock, par value \$0.001, issued and outstanding.

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Speedemissions, Inc.

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**PART I - FINANCIAL INFORMATION**

This Quarterly Report includes forward-looking statements within the meaning of the Securities Exchange Act of 1934 (the Exchange Act ). These statements are based on management's beliefs and assumptions, and on information currently available to management. Forward-looking statements include the information concerning possible or assumed future results of operations of the Company set forth under the heading Management's Discussion and Analysis of Financial Condition or Plan of Operation. Forward-looking statements also include statements in which words such as expect, anticipate, intend, plan, believe, estimate, consider or similar expressions are used.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions. The Company's future results and shareholder values may differ materially from those expressed in these forward-looking statements. Readers are cautioned not to put undue reliance on any forward-looking statements, which speak only as of the date on which such statements are made. We undertake no obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date on which such statements were made or to reflect the occurrence of unanticipated events.

**Table of Contents****Item 1. Consolidate Financial Statements****Speedemissions, Inc. and Subsidiaries****Consolidated Balance Sheets**

	<b>June 30, 2008 (unaudited)</b>	<b>December 31, 2007</b>
<b>Assets</b>		
Current assets:		
Cash	\$ 439,252	\$ 804,662
Other current assets	251,640	226,051
<b>Total current assets</b>	<b>690,892</b>	<b>1,030,713</b>
Property and equipment, at cost less accumulated depreciation and amortization	1,510,384	1,484,229
Goodwill	7,100,572	7,100,572
Other assets	107,537	103,787
<b>Total assets</b>	<b>\$ 9,409,385</b>	<b>\$ 9,719,301</b>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 586,789	\$ 495,503
Accrued liabilities	364,099	522,385
Current portion of capitalized lease obligations	39,530	32,325
Current portion of equipment financing obligations	15,244	14,207
Current portion - deferred rent	13,628	13,628
<b>Total current liabilities</b>	<b>1,019,290</b>	<b>1,078,048</b>
Capitalized lease obligations, net of current portion	162,504	155,961
Equipment financing obligations, net of current portion	72,902	80,792
Deferred rent	239,705	243,948
Other long term liabilities	7,350	7,350
<b>Total liabilities</b>	<b>1,501,751</b>	<b>1,566,099</b>
<b>Commitments and contingencies</b>		
Series A convertible, redeemable preferred stock, \$.001 par value, 5,000,000 shares authorized, 5,133 shares issued and outstanding; liquidation preference: \$5,133,000	4,579,346	4,579,346
<b>Shareholders' equity:</b>		
Series B convertible preferred stock, \$.001 par value, 3,000,000 shares authorized, 2,481,482 shares issued and outstanding; liquidation preference: \$6,372,446	2,481	2,481
Common stock, \$.001 par value, 250,000,000 shares authorized, 5,162,108 shares issued and outstanding	5,162	5,162
Additional paid-in capital	15,699,815	15,596,105
Accumulated deficit	(12,379,170)	(12,029,892)
<b>Total shareholders' equity</b>	<b>3,328,288</b>	<b>3,573,856</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 9,409,385</b>	<b>\$ 9,719,301</b>

*See accompanying notes to consolidated financial statements.*

**Table of Contents****Speedemissions, Inc. and Subsidiaries****Consolidated Statements of Operations****(unaudited)**

	Three Months Ended June 30		Six Months Ended June 30	
	2008	2007	2008	2007
Revenue	\$ 2,609,441	\$ 2,468,889	\$ 5,092,861	\$ 4,881,426
Costs of operations:				
Cost of emission certificates	571,364	603,090	1,115,068	1,202,780
Store operating expenses	1,699,899	1,384,241	3,321,131	2,886,005
General and administrative expenses	502,637	371,878	988,083	727,913
Loss from disposal of non-strategic assets		7,886		11,735
Income (loss) from operations	(164,459)	101,794	(331,421)	52,993
Other income (expense)				
Other income	256		1,120	
Interest expense	(9,443)	(107)	(18,977)	(3,434)
Other income (expense), net	(9,187)	(107)	(17,857)	(3,434)
Net income (loss) attributable to common shareholders	\$ (173,646)	\$ 101,687	\$ (349,278)	\$ 49,559
Basic net income (loss) per share	\$ (0.03)	\$ 0.03	\$ (0.07)	\$ 0.02
Diluted net income (loss) per share	\$ (0.03)	\$ 0.01	\$ (0.07)	\$ 0.01
Weighted average common shares outstanding, basic	5,162,108	3,016,119	5,162,108	2,989,969
Weighted average common shares outstanding, diluted	5,162,108	7,296,117	5,162,108	7,269,967

*See accompanying notes to consolidated financial statements.*

**Table of Contents****Speedemissions, Inc. and Subsidiaries****Consolidated Statements of Cash Flows****(unaudited)**

	<b>Six Months Ended</b>	
	<b>June 30</b>	
	<b>2008</b>	<b>2007</b>
<b>Operating activities:</b>		
Net income (loss)	\$ (349,278)	\$ 49,559
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	173,123	132,496
Loss from disposal of non-strategic assets		11,735
Share based compensation expenses	103,710	65,432
Changes in operating assets and liabilities, net of acquisitions:		
Other current assets	(25,589)	50,590
Other assets	(3,750)	(1,800)
Accounts payable and accrued liabilities	(66,849)	(145,049)
Other liabilities	(4,243)	(12,484)
Net cash (used in) provided by operating activities	(172,876)	150,479
<b>Cash flows from investing activities:</b>		
Proceeds from asset sales		211,094
Purchases of property and equipment	(168,003)	(102,681)
Net cash (used in) provided by investing activities	(168,003)	108,413
<b>Cash flows from financing activities:</b>		
Payments on debt	(6,854)	(111,747)
Payments on capitalized leases	(17,677)	(5,160)
Net cash used in financing activities	(24,531)	(116,907)
Net increase (decrease) in cash	(365,410)	141,985
Cash at beginning of period	804,662	320,231
Cash at end of period	\$ 439,252	\$ 462,216
<b>Supplemental Information:</b>		
Cash paid during the period for interest	\$ 18,992	\$ 13,017
<b>Non-cash Investing and Financing activities:</b>		
Non-cash asset additions for financed and capital leases	\$ 31,425	\$

During the quarter ended June 30, 2007, the Company issued 71,430 shares of common stock to the former owners of a subsidiary acquired in 2005, which was final payment of \$100,000 withheld from the acquisition price for any potential unknown or undisclosed liabilities.

*See accompanying notes to consolidated financial statements.*





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### **Speedemissions, Inc.**

### **Notes to Consolidated Financial Statements**

**June 30, 2008**

**(Unaudited)**

#### **Note 1: Organization**

We were incorporated as SKTF Enterprises, Inc. in Florida in March 2001. In June 2003, we acquired Speedemissions, Inc., a Georgia corporation in the business of vehicle emissions testing since May 2000. In connection with the acquisition, we changed our name to Speedemissions, Inc. in September 2003.

We perform vehicle emissions testing and safety inspections in certain cities in which vehicle emissions testing is mandated by the Environmental Protection Agency (EPA). We use computerized emissions testing and safety inspections equipment that test vehicles for compliance with vehicle emissions and safety standards. Our revenues are generated from the test or inspection fee charged to the registered owner of the vehicle. We do not provide automotive repair services.

As of August 4, 2008, we operated 44 vehicle emissions testing and safety inspection centers in five separate markets, greater Atlanta, Georgia; Dallas, Texas; Houston, Texas; St. Louis, Missouri; Salt Lake City, Utah and four mobile units in the Atlanta, Georgia area.

#### **Note 2: Basis of Presentation**

Throughout this report, the terms we, us, our, Speedemissions, and Company refer to Speedemissions, Inc., including its wholly-owned subsidiaries.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and in accordance with the SEC's instructions applicable to Form 10-Q interim financial information. In the opinion of management, such consolidated financial statements include all adjustments, consisting of normal recurring adjustments, necessary to present fairly the financial position, results of operations and cash flows as of June 30, 2008 and for all periods presented. The results of operations presented in the accompanying consolidated financial statements are not necessarily indicative of the results expected for the full fiscal year or for any future period.

The accompanying consolidated financial statements do not include all of the information and disclosures required by accounting principles generally accepted in the United States of America for annual financial statements. Such interim consolidated financial statements should be read in conjunction with the Company's audited financial statements contained in our Form 10-KSB for the year ended December 31, 2007.

#### **Note 3: Summary of Significant Accounting Policies**

##### **Going Concern**

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. As reflected in the accompanying consolidated financial statements, as of June 30, 2008, the Company had cash on hand of \$439,252, working capital deficit of \$328,398, and an accumulated deficit of \$12,379,170. The Company had net loss of \$349,278 and negative cash flows from operations of \$172,876 for the six months ended June 30, 2008. The ability of the Company to continue as a going concern is dependent upon the Company's ability to maintain sufficient cash flow from operations to meet current and future obligations and its ability to implement its business plan. There can be no assurance that management will be successful in implementing its plans. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

##### **Nature of Operations**

Speedemissions is engaged in opening, acquiring, developing, and operating vehicle emissions testing and safety inspection stations. The federal government and a number of state and local governments in the United States (and in certain foreign countries) mandate vehicle emissions

testing as a method of improving air quality.

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The Company's 44 emissions testing and safety inspection stations operate under the trade names *Speedemissions* (Georgia and Missouri), *Mr. Sticker* (Texas) and *Just Inc.* (Utah). At its emissions testing and safety inspection stations, the Company uses computerized emissions testing equipment and safety inspection equipment that test vehicles for compliance with emissions and safety standards. In the emissions testing and safety inspection industry, such stations are known as decentralized facilities. The Company utilizes basic testing systems that test a motor vehicle's emissions while in neutral and enhanced testing systems that test a vehicle's emissions under simulated driving conditions.

**Revenue Recognition**

Revenue is recognized as the testing services are performed. The cost of emission certificates is shown separately in the accompanying consolidated statements of income.

The Company normally requires that the customer's payment be made with cash, check, or credit card; accordingly, the Company does not have significant levels of accounts receivable.

Under current Georgia, Missouri, Texas, and Utah laws, if a vehicle fails an emissions test or safety inspection, it may be retested at no additional charge during a specified period after the initial test, as long as the subsequent test is performed at the same facility. The costs of such retests and the number of retests are not material. Accordingly, no allowance for retest is recorded by the Company.

**Goodwill**

The Company has adopted Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets* (SFAS 142), which prescribes the accounting for all purchased goodwill. In accordance with SFAS 142, goodwill is not amortized but tested for impairment annually and whenever an impairment indicator arises.

We measure the fair value of reporting units using discounted future cash flows based on our projections. Because the business is assumed to continue in perpetuity, the discounted future cash flow includes a terminal value. The long-term growth assumptions incorporated into the discounted cash flow calculation reflect our long-term view of the market and the discount rate is based on our weighted average cost of capital. Each year we re-evaluate the assumptions used to reflect changes in the business environment.

**Recent Accounting Pronouncements**

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, *Fair Value Measurements* (SFAS 157). This statement clarifies the definition of fair value of assets and liabilities, establishes a framework for measuring fair value of assets and liabilities and expands the disclosures on fair value measurements. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007. However, the FASB deferred the effective date of SFAS No. 157 until the fiscal years beginning after November 15, 2008 as it relates to the fair value measurement requirements for non-financial assets and liabilities that are initially measured at fair value, but not measured at fair value in subsequent periods. These non-financial assets include goodwill and other indefinite-lived intangible assets which are included within other assets. In accordance with SFAS No. 157, the Company has adopted the provisions of SFAS No. 157 with respect to financial assets and liabilities effective as of January 1, 2008 and its adoption did not have a material impact on its results of operations or financial condition. The Company is assessing the impact of SFAS No. 157 for non-financial assets and liabilities and expects that this adoption will not have a material impact on its results of operations or financial condition.

In February 2007, FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (SFAS 159). SFAS 159 permits entities to choose, at specified election dates, to measure eligible items at fair value (the fair value option) and requires an entity to report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. Upfront costs and fees related to items for which the fair value option is elected shall be recognized in earnings as incurred and not deferred. SFAS 159 was effective for fiscal years beginning after November 15, 2007. The adoption of SFAS 159 did not have a material effect on the Company's financial position or results of operations.

In December 2007, FASB issued SFAS No. 141, *Business Combinations Revised* (SFAS 141(R)). SFAS 141(R) establishes principles and requirements for how an acquirer in a business combination: recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree; recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase



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price; and, determines what information to disclose to enable users of the consolidated financial statements to evaluate the nature and financial effects of the business combination. SFAS 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. In the past, the Company has completed significant acquisitions. The application of SFAS 141(R) will cause management to evaluate future transaction returns under different conditions, particularly related to the near term and long term economic impact of expensing transaction costs up front.

In March 2008, FASB issued SFAS No. 161 *Disclosures about Derivative Instruments and Hedging Activities-an amendment of FASB statement No. 133* ( SFAS 161 ). SFAS 161 requires enhanced disclosures about an entity's derivative and hedging activities and thereby improves the transparency of financial reporting. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. SFAS 161 encourages, but does not require, comparative disclosures for earlier periods at initial adoption. The Company does not expect that this new pronouncement will have a material impact on the Company's financial statements in future periods.

**Note 4: Going Concern**

The Company has historically incurred losses and has limited capital resources, which raises substantial doubt about the Company's ability to continue as a going concern. The future success of the Company is contingent upon, among other things, the ability to: achieve and maintain satisfactory levels of profitable operations; obtain and maintain adequate levels of debt and/or equity financing; and provide sufficient cash flow from operations to meet current and future obligations. The Company is actively seeking new sources of financing to expand its revenue opportunities, however there is no guarantee that the Company will be successful in obtaining the financing required to fund the capital needed for expansion.

The Company has taken certain steps to maintain its operating and financial requirements in an effort to enable it to continue as a going concern until such time that revenues are sufficient to cover expenses on a consistent basis, including expanding its revenue opportunities through the investment in new stores, incorporating revisions to its processes and costs by seeking reduced operating costs through service agreements, redistributing labor to reduce overtime costs, and improving the appearance of its stores and personnel.

The Company has prepared financial forecasts which indicate that, based on its current business plans and strategies, it anticipates that it will achieve profitable operations and generate positive cash flows in the future. However, the ultimate timing and ability of the Company to achieve these forecasts and to meet the objectives discussed in the preceding paragraph cannot be determined at this time. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

**Note 5: Property and Equipment**

Property and equipment at June 30, 2008 and December 31, 2007 consisted of the following:

	June 30, 2008	December 31, 2007
Building	\$ 485,667	\$ 485,667
Emission testing and safety inspection equipment	1,936,501	1,820,256
Furniture, fixtures and office equipment	156,703	96,921
Vehicles	15,606	15,606
Leasehold improvements	285,320	262,069
	2,879,797	2,680,519
Less accumulated depreciation and amortization	1,369,413	1,196,290
	\$ 1,510,384	\$ 1,484,229

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Accrued liabilities at June 30, 2008 and December 31, 2007 consisted of the following:

	June 30, 2008	December 31, 2007
Emissions testing equipment	\$ 25,305	\$ 190,175
Professional fees	163,067	184,724
Accrued payroll	98,097	117,347
Other	77,630	30,139
	\$ 364,099	\$ 522,385

**Note 7: Debt**

On December 7, 2007 and December 19, 2007, the Company entered into sixty month equipment financing agreements with two financing companies in the amounts of \$55,124 and \$40,458, respectively. The emissions and safety inspections equipment financed is being used in the Company's new stores located in Sears Automotive Centers in the Dallas, Texas area. The financing agreements are secured by the equipment and are personally guaranteed by the President of the Company. The financing agreements bear interest at 17.35% and 10.37% per annum, respectively.

The Company's debt consists of the following:

	June 30, 2008	December 31, 2007
Equipment financing agreements	\$ 88,146	\$ 94,999
Less current portion	15,244	14,207
Long term portion	\$ 72,902	\$ 80,792

**Note 8: Net Income Per Common Share**

Net income per share has been computed according to SFAS No. 128, *Earnings per Share*, which requires a dual presentation of basic and diluted earnings per share (EPS). Basic EPS represents net income divided by the weighted average number of common shares outstanding during a reported period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock, including stock options, warrants, and contingently issuable shares such as the Company's Series A and Series B preferred stock (commonly and hereinafter referred to as *Common Stock Equivalents*), were exercised or converted into common stock.

The following table sets forth the computation for basic and diluted net income per share for the three and six month periods ended June 30, 2008 and 2007, respectively:

	Three Months Ended June 30		Six Months Ended June 30	
	2008	2007	2008	2007
Net income (loss) (A)	\$ (173,646)	\$ 101,687	\$ (349,278)	\$ 49,559
Weighted average common shares - basic (B)	5,162,108	3,016,119	5,162,108	2,989,969
Effect of dilutive securities (3):				
Diluted effect of stock options (1, 2)				
Diluted effect of stock warrants (1, 2)		2,500		2,500

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Diluted effect of unrestricted Preferred Series A Shares	4,277,498		4,277,498	
Weighted average common shares - diluted (C)	5,162,108	7,296,117	5,162,108	7,269,967
Net income (loss) per share - basic (A/B)	\$ (0.03)	\$ 0.03	\$ (0.07)	\$ 0.02
Net income (loss) per share - diluted (A/C)	\$ (0.03)	\$ 0.01	\$ (0.07)	\$ 0.01

- (1) As a result of the Company's net loss in the three and six months ended June 30, 2008, aggregate Common Stock Equivalents of 21,635,512 issuable under stock option plans and stock warrants that were potentially dilutive



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securities are anti-dilutive and have been excluded from the computation of weighted average common shares (diluted) for the three and six months ended June 30, 2008. These Common Stock Equivalents could be dilutive in future periods.

- (2) Because their effects are anti-dilutive, 19,878,162 shares issuable under stock option plans and stock warrants whose grant price is greater than the average market price of Common Shares outstanding at the end of the relevant period have been excluded from the computation of weighted average common shares diluted for the three and six months ended June 30, 2007.
- (3) Series B convertible preferred stock held by Barron Partners, LP do not have voting rights and are subject to a maximum ownership by Barron Partners, LP at any time of 4.9% of the Company's outstanding common stock. As a result, Common Share Equivalents of the Series B convertible preferred stock of 18,760,000 are anti-dilutive and have been excluded from the weighted average common shares (diluted) calculation for the three and six months ended June 30, 2007 and 2008.

### **Note 9: Preferred and Common Stock**

#### **Preferred Stock**

There were 5,133 shares of Series A convertible preferred stock issued and outstanding as of June 30, 2008 and December 31, 2007. For financial statement purposes, the Series A convertible preferred stock has been presented outside of stockholders' equity on the Company's balance sheets as a result of certain conditions that are outside the control of the Company that could trigger redemption of the securities.

There were 2,481,482 shares Series B convertible preferred stock issued and outstanding as of June 30, 2008 and December 31, 2007.

#### **Common Stock**

The Company is authorized to issue 250,000,000 shares of \$0.001 par value common stock, of which 5,162,108 shares were issued and outstanding as of June 30, 2008 and December 31, 2007.

### **Note 10: Share-Based Compensation**

The Company estimates the fair value of stock options using the Black-Scholes valuation model, and determines the fair value of restricted stock units based on the number of shares granted and the quoted price of the Company's common stock on the date of grant. Such value is recognized as expense over the requisite service period, net of estimated forfeitures, using the straight-line attribution method. The estimate of awards that will ultimately vest requires significant judgment, and to the extent actual results or updated estimates differ from the Company's current estimates, such amounts will be recorded as a cumulative adjustment in the period estimates are revised. The Company considers many factors when estimating expected forfeitures, including types of awards, employee class and historical employee attrition rates. Actual results, and future changes in estimates, may differ substantially from the Company's current estimates.

Stock-based compensation expense under SFAS No. 123(R) was \$76,604 and \$32,716 during the three months ended June 30, 2008 and 2007, respectively. Stock-based compensation expense under SFAS No. 123(R) was \$103,710 and \$65,432 during the six months ended June 30, 2008 and 2007, respectively. In the Company's Statement of Cash Flows, the \$103,710 and \$65,432 in share-based compensation expense was shown as a non-cash expense in the reconciliation of net cash provided by operating activities in the six months ended June 30, 2008 and 2007, respectively.

#### **Stock Incentive Plans**

The Company has granted options to employees and directors to purchase the Company's common stock under various stock incentive plans. Under the plans, employees and non-employee directors are eligible to receive awards of various forms of equity-based incentive compensation, including stock options, restricted stock, restricted stock units and performance awards, among others. The plans are administered by the Board of Directors and Compensation Committee of the Board of Directors, which determine the terms of the awards granted. Stock options are generally granted with an exercise price equal to the market value of the Company's common stock on the date of grant, have a term of ten years or less, and generally vest over three years from the date of grant.

On May 19, 2008, the Compensation Committee the Company's Board of Directors approved stock option awards to certain named executive officers, directors and employees under the Company's 2008 Stock Grant and Option Plan. A copy of the plan was filed in the Company's proxy statement filed on April 18, 2008 and approved by the shareholders on May 19, 2008. The award date was May 19, 2008.

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The following table sets forth the options granted under the Company's Stock Option Plans as of June 30, 2008:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Grant-date Fair Value
Options outstanding at December 31, 2007	2,347,725	\$ 0.69	
Granted	3,800,000	0.125	\$ 0.03
Exercised			
Expired	(10,000)	0.50	
Options outstanding at June 30, 2008	6,137,725	\$ 0.34	
Options exercisable at June 30, 2008	2,900,659	\$ 0.47	

The aggregate intrinsic value of options outstanding and exercisable at June 30, 2008 was \$0. Intrinsic value is the amount by which the fair value of the underlying stock exceeds the exercise price of the options.

The fair value for stock options was estimated at the date of grant using the Black-Scholes option pricing model, which requires management to make certain assumptions. Expected volatility was based on comparable company data. The Company based the risk-free interest rate on U.S. Treasury note rates. The expected term is based on the vesting period and an expected exercise term. The Company does not anticipate paying cash dividends in the foreseeable future and therefore use an expected dividend yield of 0%. The Company used the following assumptions in using the Black-Scholes option pricing model for the May 19, 2008 grant:

Risk free interest rate	2.42%
Expected term of stock awards	2 years
Expected volatility in stock price	45.00%
Expected dividend yield	None

As of June 30, 2008, there was \$109,413 of unrecognized stock-based compensation expense related to non-vested stock options. This amount is expected to be recognized over a weighted average period of twenty months. There were 1,266,666 shares that vested during the six months ended June 30, 2008.

There were 6,137,725 and 2,347,725 shares issued and outstanding under the Company's SKTF, Inc. 2001 Stock Option Plan, the 2005 Omnibus Stock Grant and Option Plan, Speedemissions Inc. 2006 Stock Grant and Option Plan and 2008 Stock Grant and Option Plan as of June 30, 2008 and December 31, 2007, respectively. There were 3,800,000 options granted under these plans during the six month period ended June 30, 2008. There were no options exercised during the six month period ended June 30, 2008.

**Stock Warrants**

There were no common stock warrants granted or exercised during the three month period ended June 30, 2008. The following table represents our warrant activity for the six months ended June 30, 2008:

	Number of Options/Warrants	Weighted Average Grant Date Fair Value
Outstanding warrants December 31, 2007	15,497,787	\$ 1.40
Granted		
Exercised		
Forfeited	2,500	0.34

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Outstanding warrants	June 30, 2008	15,495,287	\$	1.40
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### **Note 11: Income Taxes**

No provision for income taxes has been reflected for the six month period ended June 30, 2008 as the Company has sufficient net operating loss carry forwards to offset taxable income.

### **Note 12: Contingencies**

The Company may from time to time be involved in various proceedings and litigation arising in the ordinary course of business. While any proceeding or litigation has an element of uncertainty, the Company believes that the outcome of any lawsuit or claim that may be pending or threatened, or all of them combined, will not have a material adverse effect on its consolidated financial position or results of operations.

### **Note 13: Related Party Transactions**

Effective on June 30, 2008, the Board filled a vacancy created by the resignation of Mr. John Bradley by electing Mr. Gerald Amato to serve on the Board. Mr. Amato was also elected to serve as a member of the Audit Committee. Mr. Amato has been determined by our Board of Directors to qualify as an independent director. Mr. Amato is currently President of Booke and Company, Inc., which provides investor relations services to the Company in the amount of \$5,000 per month. The Company paid Booke and Company, Inc. \$15,000 and \$30,000 for investor relations services during each three and six months ended June 30, 2008 and June 30, 2007, respectively.

### **Note 14: Subsequent Events**

In the fourth quarter of 2007, the Company announced its intention to open 13 new vehicle emissions testing and safety inspection stations within Sears Auto Centers in the Greater Dallas-Ft. Worth, Texas trade area. The Company had opened 12 of the stores as of June 30, 2008.

Based on the Company's analysis of initial test volumes for the first six months of 2008 across all of these new stores, the Company identified 8 stores it believed would not generate enough test volume over time to produce a reasonable expectation of positive cash flow. These facilities were all opened since December 15, 2007. On July 15, 2008, the Company committed to closing 8 of the 12 vehicle emissions testing and safety inspection facilities in the Greater Dallas-Ft. Worth trade area as part of its initiative to improve financial performance. The Company also decided not to open the 13<sup>th</sup> store. All eight of the locations were closed by July 31, 2008.

The Company repositioned most of the equipment used at these locations to existing Company stores in other markets and no asset impairment charge was incurred. The Company returned equipment used in three of the stores to the manufacturer in the amount of \$121,375. The total cost of repositioning and returning the equipment, severance, reimbursements to Sears Auto Centers for the cost of the initial site preparation and other costs was expected to be less than \$100,000.

On August 7, 2008, Randy A. Dickerson resigned his position as the Company's Chief Operating Officer. The Company has no immediate plans to find a replacement. Mr. Dickerson's responsibilities will be assumed by the Chief Executive Officer, the Chief Financial Officer and other senior managers within the Company.

**Table of Contents****ITEM 2 Management's Discussion and Analysis of Financial Condition and Results of Operations  
Disclaimer Regarding Forward Looking Statements**

Our Management's Discussion and Analysis contains not only statements that are historical facts, but also statements that are forward-looking (within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934). Forward-looking statements are, by their very nature, uncertain and risky. These risks and uncertainties include international, national and local general economic and market conditions; demographic changes; our ability to sustain, manage, or forecast growth; our ability to successfully make and integrate acquisitions; new product development and introduction; existing government regulations and changes in, or the failure to comply with, government regulations; adverse publicity; competition; the loss of significant store leases, customers or suppliers; fluctuations and difficulty in forecasting operating results; changes in business strategy or development plans; business disruptions; the ability to attract and retain qualified personnel; the ability to protect technology; and other risks that might be detailed from time to time in our filings with the Securities and Exchange Commission.

Although the forward-looking statements in this Quarterly Report reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by them. Consequently, and because forward-looking statements are inherently subject to risks and uncertainties, the actual results and outcomes may differ materially from the results and outcomes discussed in the forward-looking statements. You are urged to carefully review and consider the various disclosures made by us in this report and in our other reports as we attempt to advise interested parties of the risks and factors that may affect our business, financial condition, and results of operations and prospects.

**Overview**

As of June 30, 2008 we operated 52 vehicle emissions testing stations and four mobile units in five separate markets, Atlanta, Georgia; Dallas-Ft. Worth, Texas; Houston, Texas; St. Louis, Missouri; and Salt Lake City, Utah. Since December 31, 2007, we opened one new store in Houston and three in St. Louis. In July 2008, we closed 8 of the twelve new stores that we had opened in the Greater Dallas-Ft. Worth area since December 31, 2007. See Note 14 Subsequent Events for additional information on store closing subsequent to June 30, 2008.

We perform vehicle emissions testing and safety inspections in certain cities in which vehicle emissions testing is mandated by the Environmental Protection Agency (EPA). We use computerized emissions testing and safety inspections equipment that test vehicles for compliance with vehicle emissions and safety standards. Our revenues are generated from the test or inspection fee charged to the registered owner of the vehicle. We do not provide automotive repair services.

We charge a fee for each test, whether the vehicle passes or not, and a portion of that fee is passed on to the respective state governing agency.

We have undertaken cost containment and customer service initiatives over the past twelve months that have resulted in an increase in same store operating margins from 16.9% to 23.2% during the six months ended June 30, 2008 over the comparable period. We expect our revenue to increase in 2008 but our overall store operating margins and overall profitability may be adversely affected in 2008 as we expect the new emissions testing stations to operate at a loss until we can add a sufficient number of customers which will allow each new store to break even.

**Results of Operations****Three Months Ended June 30, 2008 and 2007**

Our revenue, cost of emission certificates, store operating expenses, general and administrative expenses and income from operations for the three months ended June 30, 2008 as compared to the three months ended June 30, 2007 were as follows:

	<b>Three Months Ended</b>		<b>Percentage</b>
	<b>June 30</b>		
	<b>2008</b>	<b>2007</b>	<b>Change</b>
Revenue	\$ 2,609,441	\$ 2,468,889	5.7%
Cost of emission certificates	571,364	603,090	(5.3)%
Store operating expenses	1,699,899	1,384,241	22.8%
General and administrative expenses	502,637	371,878	35.2%

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Loss from disposal of non-strategic assets		7,886	N/A
Income (loss) from operations	\$ (164,459)	\$ 101,794	(261.6)%

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*Revenue.* Revenue increased \$140,552 or 5.7% to \$2,609,441 in the three months ended June 30, 2008 compared to \$2,468,889 in the three months ended June 30, 2007. The increase in revenue over the comparable period was primarily due to an increase of \$268,006 from new stores that were not open for the entire comparable period in the prior year, offset by the loss of \$29,380 in revenue from the closure of our Lawrenceville, Georgia store where Gwinnett County acquired the property for a road widening project and a decrease in same store sales of \$98,074 or (4.0%).

*Cost of emission certificates.* Cost of emission certificates decreased \$31,726 or (5.3%) in the three month period ended June 30, 2008 and was \$571,364 or 21.9% of revenues, compared to \$603,090 or 24.4% of revenues in the three months ended June 30, 2007. The decrease in the cost of emission certificates was primarily due to a \$105,124 decrease in same store certificate costs and a \$7,918 decrease in certificate costs from the closure of the Lawrenceville store discussed above. The decrease in same store certificate costs mainly resulted from a decrease in the per certificate cost of our Georgia certificates, which decreased from \$6.95 to \$4.02 per test on October 1, 2007. The decrease in the cost of emissions certificates was offset by additional certificates issued in the amount of \$81,316 at our new stores.

*Store operating expenses.* Store operating expenses increased \$315,658, or 22.8% in the three month period ended June 30, 2008 and was \$1,699,899 or 65.1% of revenues, compared to \$1,384,241 or 56.1% of revenues in the three month period ended June 30, 2007. The increase was mainly attributable to \$377,416 in new store operating expenses. The increase was offset by a decrease of \$50,739 in same store operating expenses and a decrease of \$11,019 resulting from the closure of the Lawrenceville store.

*General and administrative expenses.* Our general and administrative expenses increased \$130,759 or 35.2% to \$502,637 in the three month period ended June 30, 2008 from \$371,878 in the three month period ended June 30, 2007. The increase in general and administrative expenses was primarily due to increases in legal and accounting fees related to the filing of an updated registration statement, Sarbanes Oxley compliance costs, and investor relations activities.

*Loss from disposal of non-strategic assets.* For the three months ended June 30, 2008, we did not realize a gain or loss from the disposal of non-strategic assets and recognized a loss of \$7,886 in the three months ended June 30, 2007.

*Other income, interest expense, net loss and earnings per share.* Our other income, interest expense, net loss and earnings per share for the three months ended June 30, 2008 as compared to the three months ended June 30, 2007 is as follows:

	Three Months Ended June 30	
	2008	2007
Income (loss) from operations	\$ (164,459)	\$ 101,794
Other income	256	
Interest expense	(9,443)	(107)
Net income (loss)	\$ (173,646)	\$ 101,687
Basic income (loss) per share	\$ (0.03)	\$ 0.03
Diluted income (loss) per share	\$ (0.03)	\$ 0.01
Weighted average shares outstanding, basic	5,162,108	3,016,119
Weighted average shares outstanding, diluted	5,162,108	7,296,117

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The Company incurred higher interest expense during the three months ending June 30, 2008 as a result of higher average debt under equipment financing agreements and capital leases outstanding than the comparable period ending June 30, 2007.

During the three months ended June 30, 2008, we had net loss of \$173,646 or \$0.03 per weighted-average share-basic and diluted. During the three months ended June 30, 2007, we reported net income of \$101,687 or \$0.03 per weighted-average share-basic and \$0.01 per weighted-average share - diluted.

**Six Months Ended June 30, 2008 and 2007**

Our revenue, cost of emission certificates, store operating expenses, general and administrative expenses and income from operations for the six months ended June 30, 2008 as compared to the six months ended June 30, 2007 were as follows:

	Six Months Ended June 30		Percentage Change
	2008	2007	
Revenue	\$ 5,092,861	\$ 4,881,426	4.3%
Cost of emission certificates	1,115,068	1,202,780	(7.3)%
Store operating expenses	3,321,131	2,886,005	15.1%
General and administrative expenses	988,083	727,913	35.7%
Loss from disposal of non-strategic assets		11,735	N/A%
Income (loss) from operations	\$ (331,421)	\$ 52,993	(725.4)%

*Revenue.* Revenue increased \$211,435 or 4.3% to \$5,092,861 in the six months ended June 30, 2008 compared to \$4,881,426 in the six months ended June 30, 2007. The increase in revenue over the comparable period was primarily due to an increase of \$414,685 from new stores that were not open for the entire comparable period in the prior year, offset by the loss of \$68,757 in revenue from the closure of our Lawrenceville, Georgia store in 2007 where Gwinnett County acquired the property for a road widening project and a decrease in same store sales of \$134,493 or (2.8%).

*Cost of emission certificates.* Cost of emission certificates decreased \$87,712 or (7.3%) in the six month period ended June 30, 2008 and was \$1,115,068 or 21.9% of revenues, compared to \$1,202,780 or 24.6% of revenues in the six months ended June 30, 2007. The decrease in the cost of emission certificates was primarily due to a \$198,272 decrease in same store certificate costs and a \$19,009 decrease in certificate costs from the closure of the Lawrenceville store discussed above. The decrease in same store certificate costs mainly resulted from a decrease in the per certificate cost of our Georgia certificates, which decreased from \$6.95 to \$4.02 per test on October 1, 2007. The decrease in the cost of emissions certificates was offset by additional certificates issued in the amount of \$129,569 at our new stores.

*Store operating expenses.* Store operating expenses increased \$435,126, or 15.1% in the six month period ended June 30, 2008 and was \$3,321,131 or 65.2% of revenues, compared to \$2,886,005 or 59.1% of revenues in the six month period ended June 30, 2007. The increase was mainly attributable to \$664,918 in new store operating expenses. The increase was offset by a decrease of \$205,337 in same store operating expenses and a decrease of \$24,455 resulting from the closure of the Lawrenceville store.

*General and administrative expenses.* Our general and administrative expenses increased \$260,170, or 35.7% to \$988,083 in the six month period ended June 30, 2008 from \$727,913 in the six month period ended June 30, 2007. The increase in general and administrative expenses was primarily due to increases in legal and accounting fees related to the filing of an updated registration statement, Sarbanes Oxley compliance costs, and investor relations activities.

*(Gain) loss from disposal of non-strategic assets.* For the six months ended June 30, 2008, we did not incur a gain or loss from the disposal of non-strategic assets compared to a gain of \$11,735 in the six months ended June 30, 2007.





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*Other income, interest expense, net loss and earnings per share.* Our other income, interest expense, net loss and earnings per share for the six months ended June 30, 2008 as compared to the six months ended June 30, 2007 is as follows:

	Six Months Ended June 30	
	2008	2007
Income (loss) from operations	\$ (331,421)	\$ 52,993
Other income	1,120	
Interest expense	(18,977)	(3,434)
Net income (loss)	\$ (349,278)	\$ 49,559
Basic income (loss) per share	\$ (0.07)	\$ 0.02
Diluted income (loss) per share	\$ (0.07)	\$ 0.01
Weighted average shares outstanding, basic	5,162,108	2,989,969
Weighted average shares outstanding, diluted	5,162,108	7,269,967

The Company incurred higher interest expense during the six months ending June 30, 2008 as a result of higher average debt under equipment financing agreements and capital leases outstanding than the comparable period ending June 30, 2007.

During the six months ended June 30, 2008, we incurred a net loss of \$349,278 or \$0.07 per weighted-average share-basic and diluted. During the six months ended June 30, 2007, we reported net income of \$49,559 or \$0.02 per weighted-average share basic and \$0.01 per weighted-average share-diluted.

**Liquidity and Capital Resources****Introduction**

Our net cash position decreased by \$365,410 during the six months ended June 30, 2008 primarily as a result of additional capital and operating expenditures associated with our new stores opened in Texas and Missouri. As we continue to implement our growth strategy, we anticipate an increase in our net operating cash flow on a long-term basis, but with the increased costs of expanding our operations, we may not achieve positive operating cash flows on a consistent basis, or at all, during 2008. The Company has funded operations and our investment in new stores primarily through the issuance of equity securities, equipment leases and cash provided by operations. In the future, we may continue to issue our equity securities in order to raise additional capital to fund expansion and working capital needs. If we are unsuccessful in obtaining additional sources of debt or capital and if the new stores do not reach sufficient levels of tests to achieve profitability in the short-term, we may have to close some of the recently opened stores within the next six months. We continually assess store profitability and may close non-profitable or poor performing stores. See Note 14 Subsequent Events for information on new store closings that occurred subsequent to June 30, 2008.

**Cash Requirements**

For the six months ended June 30, 2008, our net cash used in operating activities was \$172,876 compared to net cash provided by operations of \$150,479 in the six months ended June 30, 2007. Negative operating cash flows during the six months ended June 30, 2008 were primarily created by a net loss of \$349,278, a decrease of \$66,849 in accounts payable and accrued liabilities, a increase in other assets of \$3,750, a decrease in other liabilities of \$4,243 and an increase in other current assets of \$25,589, offset by depreciation and amortization of \$173,123, and share based compensation expenses of \$103,710. Because of our growth strategy, we do not have an opinion as to how indicative these results will be of future results.



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Net cash provided by operating cash flows during the six months ended June 30, 2007 was \$150,479 and was primarily created by net income of \$49,559, a decrease in other current assets of \$50,590, depreciation and amortization of \$132,496 and share based compensation expenses of \$65,432, partially offset by a decrease of \$145,049 in accounts payable and accrued liabilities and a decrease in other liabilities of \$12,484.

### **Sources and Uses of Cash**

Overall net cash flow from operations may be adversely affected in 2008 by the working capital needs of the new emissions testing stations in Dallas and St. Louis opened during December 2007 and during the first quarter of 2008. However, we do seek to effectively manage expenses associated with our existing operations and working capital to mitigate the adverse impact our growth initiatives are expected to have on our operational cash flow. See Note 14 Subsequent Events for information on new store closings that occurred subsequent to June 30, 2008.

Net cash used in investing activities was \$168,003 for the six months ended June 30, 2008 compared to net cash provided by investing activities of \$108,413 for the six months ended June 30, 2007. The net cash used in investing activities during the six months ended June 30, 2008 were related to capital expenditures for new stores in the amount of \$168,003. The net cash provided by investing activities during the six months ended June 30, 2007 was due to proceeds of \$211,094 received from the sale of equipment and our Lawrenceville, Georgia location to Gwinnett County for a road widening project, offset by capital expenditures for new stores in the amount of \$102,681.

Net cash used in financing activities was \$24,531 and \$116,907 for the six months ended June 30, 2008 and 2007, respectively. During the six months ended June 30, 2008, we made payments of \$24,531 on capital leases and equipment financing arrangements. Net cash used in financing activities during the six months ended June 30, 2007 was mainly used for the payment of debt and capital leases in the amount of \$111,747 and \$5,160, respectively.

### **Critical Accounting Policies**

The discussion and analysis of the Company's financial condition and results of operations are based upon its consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. In consultation with our Board of Directors, the Company has identified accounting policies related to valuation of our common stock and for assessing whether any value should be assigned to a warrant that we believe are key to an understanding of its financial statements. Additionally, the Company has identified accounting policies related to the valuation of goodwill, created as the result of business acquisitions, as key to an understanding of its financial statements. These are important accounting policies that require management's most difficult, subjective judgments.

### **ITEM 3 Quantitative and Qualitative Disclosures About Market Risk**

There have been no events that are required to be reported under this Item.

### **ITEM 4T Controls and Procedures**

The Company's Chief Executive Officer and Chief Financial Officer (or those persons performing similar functions), after evaluating the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of June 30, 2008 (the Evaluation Date), have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to ensure the timely collection, evaluation and disclosure of information relating to the Company that would potentially be subject to disclosure under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder. There were no changes in the Company's internal controls over financial reporting during the six months ended June 30, 2008 that has materially affected, or is reasonably likely to materially affect, the internal controls as of the Evaluation Date.

#### **(A) Evaluation of Disclosure Controls and Procedures**

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer of the effectiveness of the design and operation of the Company's disclosure controls and procedures. The Company's disclosure controls and procedures are designed to provide a reasonable level of assurance of achieving the Company's disclosure control



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objectives. The Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are, in fact, effective at this reasonable assurance level as of the period covered. In addition, the Company reviewed its internal controls, and there have been no significant changes in its internal controls or in other factors that could significantly affect those controls subsequent to the date of their last evaluation or from the end of the reporting period to the date of this Form 10-Q.

**(B) Changes in Internal Controls Over Financial Reporting**

In connection with the evaluation of the Company's internal controls during the six months ended June 30, 2008, the Company's Chief Executive Officer and Chief Financial Officer has determined that there are no changes to the Company's internal controls over financial reporting that has materially affected, or is reasonably likely to materially effect, the Company's internal controls over financial reporting.

**Table of Contents****PART II - OTHER INFORMATION****ITEM 1 Legal Proceedings**

As of June 30, 2008, neither the Company nor its subsidiaries is a party to nor is any of our property subject to any material or other pending legal proceedings that would materially adversely affect our operations.

**ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds**

There have been no events that are required to be reported under this Item.

**ITEM 3 Defaults Upon Senior Securities**

There have been no events that are required to be reported under this Item.

**ITEM 4 Submission of Matters to a Vote of Security Holders**

The Annual Meeting of our stockholders was held on May 19, 2008 to elect five directors for a one year term, to ratify the appointment of Tauber & Balsler, P.C. as independent registered public accountants for the fiscal year ending December 31, 2008 and to approve and adopt the Speedemissions, Inc. 2008 Stock Grant and Option Plan. All matters put before the stockholders were approved as follows:

<b>Proposal 1</b>		<b>For</b>	<b>Against</b>	<b>Abstained</b>
	<b>Election of Directors</b>			
	Richard A. Parlontieri	3,693,203		200
	Bradley A. Thompson	3,693,203		200
	Ernest A. Childs	3,693,203		200
	John Bradley (1)	3,693,203		200
	Michael E. Guirlinger	3,693,203		200
<b>Proposal 2</b>				
	Ratification of Appointment of Independent Registered Public Accountants	3,693,203		200
<b>Proposal 3</b>				
	Approval and adoption of the Speedemissions, Inc. 2008 Stock Grant and Option Plan	3,678,203	200	15,000

- (1) Mr. John Bradley resigned effective June 30, 2008. On June 30, 2008, the Board elected Mr. Gerald Amato to fill the vacancy on the Board and Audit Committee.

**ITEM 5 Other Information**

On August 7, 2008, Randy A. Dickerson resigned his position as the Company's Chief Operating Officer. The Company has no immediate plans to find a replacement. Mr. Dickerson's responsibilities will be assumed by the Chief Executive Officer, the Chief Financial Officer and other senior managers within the Company.

**ITEM 6 Exhibits**

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- (a) Exhibits
  - 31.1 Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
  - 31.2 Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
  - 32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
  - 32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.



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**SIGNATURES**

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**SPEEDEMISSIONS, INC.**

Date: August 12, 2008

By: /s/ Richard A. Parlontieri  
Richard A. Parlontieri

President

Date: August 12, 2008

By: /s/ Michael S. Shanahan  
Michael S. Shanahan

Chief Financial Officer