

FenceRenu FORM 1-A

ACCESSION NUMBER: 0001485548-10-000010  
CONFORMED SUBMISSION TYPE: 1-A  
PUBLIC DOCUMENT COUNT: 2  
FILED AS OF DATE: 20100323

FILER:

COMPANY DATA:

COMPANY CONFORMED NAME: FENCERENU INC  
CENTRAL INDEX KEY: (CIK #) 0001485548  
STANDARD INDUSTRIAL CLASSIFICATION: RETAIL-FENCE STAINS  
AND CLEANING PRODUCTS [5944]  
IRS NUMBER: 271963024  
STATE OF INCORPORATION: CO  
FISCAL YEAR END: 0331

FILING VALUES:

FORM TYPE: SB-3  
SEC ACT:  
SEC FILE NUMBER: xcq-49763  
FILM NUMBER: 6852142

BUSINESS ADDRESS:

STREET 1: 910 16th Street, Suite 1000  
CITY: DENVER  
STATE: CO  
ZIP: 80202  
BUSINESS PHONE: 3038251851

MAIL ADDRESS:

STREET 1: 910 16th Street, Suite 1000  
STREET 2: 10<sup>th</sup> Floor  
CITY: DENVER  
STATE: CO  
ZIP: 80202

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON March 23, 2010

REGISTRATION NO. xcq-49763

-----  
-----

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



-----

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, check the following box. [ ]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

- -----

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

- -----

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

- -----

If delivery of this prospectus is expected to be made pursuant to Rule 434, please check the following box. [ ]

-----

**THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT THAT SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SUCH SECTION 8(a), MAY DETERMINE.**

-----

**THE INFORMATION IN THIS PRELIMINARY PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. THESE SECURITIES MAY NOT BE SOLD UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PRELIMINARY PROSPECTUS IS NOT AN OFFER TO SELL NOR DOES IT SEEK AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.**

**SUBJECT TO COMPLETION. DATED March 31, 2010**

10,000,000 Shares  
 FENCERENU, INC.  
 Common Stock  
 -----

This is an initial public offering of shares of common stock of FenceRenu, Inc. All of the 10,000,000 shares of common stock are being sold by FenceRenu, Inc.

Prior to this offering, there has been no public market for the common stock. It is currently estimated that the initial public offering price per share will be between \$.40 and \$1.00. FenceRenu intends to list the common stock on the OTCBB under the symbol "FRIN".

See "Risk Factors" beginning on page 11 to read about factors you should consider before buying shares of the common stock.

-----  
**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

-----

	Per Share	Total
	-----	-----
Initial public offering price.....	\$ .40	\$2,800,000
Underwriting discount.....	\$ .02	\$ 140,000
Proceeds, before expenses, to FenceRenu.....	\$ .38	\$2,660,000

In connection with this offering, the underwriters have reserved up to 3,000,000 shares of common stock being sold by FenceRenu for sale at the initial public offering price to directors, officers, employees and friends of FenceRenu.

The underwriters may purchase up to an additional 1,000,000 shares from FenceRenu at the initial public offering price, less the underwriting discount.

We anticipate the underwriters will expect to deliver the shares against payment by 06/31/2010.

-----

Underwriter: **Goldman Sachs**  
Contact Person:  
Address: **555 California Street**  
City State, Zip: **Denver, CO 80202**

Voice number

Fax number

-----

Prospectus dated March 22, 2010.

# fenceRenu, Inc.

FENCERENU, FenceRenu, the FenceRenu design mark and the stylized "FRINC" design mark are trademarks of FenceRenu. All other brand names or trademarks appearing in this prospectus are the property of the companies that own them. The inclusion of those products in this prospectus is not an endorsement of FenceRenu. These companies are not involved with the offering of our securities.

## PROSPECTUS SUMMARY

You should read this summary together with the more detailed information regarding FenceRenu and the financial statements and notes appearing elsewhere in this prospectus. Unless otherwise indicated, this prospectus assumes the automatic conversion of all of our outstanding preferred stock into shares of common stock upon the closing of this offering and all information in this prospectus relating to the number of shares of our common stock, preferred stock, options and warrants is based upon information as of March 29, 2010. This prospectus also assumes no exercise of the underwriters' over-allotment option.

## FENCERENU, INC. OUR BUSINESS

We are a manufacturer of stains and cleaning products for wooden fences. We believe that our current product offerings and pricing structure, website, and mailer provide an ideal strategy to ensure the maximization of revenue given our relatively low average production costs.

FenceRenu, Inc. produces stains and cleaning products for wooden fences. The products are safe for the environment and will be heavily advertised as such.

The clients that are acquired via the internet and telephone sales will be repeatedly solicited via email, United States Postal Service mail, and telemarketing campaigns for upsells and additional product sales.

We believe it will be important to acquire accounts such as claimid, etc. and publish weekly press releases via multiple channels to ensure a positive online reputation and that any negative content stays low in the search engine rankings. We believe that competitors and some people with malicious intent oftentimes try to damage the reputations of companies without valid reason. In fact, all of these avenues for google domination will be employed well prior to release of the first products in stores to ensure that nobody can post negative statements that negatively impact revenue and profits.

Potential revenue is difficult to estimate. We believe that the world is embracing "green" standards and that our product and advertising campaign will stand out in the market and will be adored and utilized heavily by consumers.

## **OUR MARKET OPPORTUNITY**

We believe that many people find shopping for stains and cleaning products for fences to be time-consuming and inconvenient because few traditional store-based retailers are able to combine an extensive selection, convenient shopping hours, broad geographic coverage and knowledgeable staff. Our television program, telephone based customer service and online customer service are designed to provide consumers with a convenient and enjoyable research experience in a Web-based environment. The key components of the FenceRenu experience include:

- - **EXTENSIVE PRODUCT SELECTION.** We offer a variety of products, including what we believe is one of the largest selections of premium products available in the world.
- - **COMPELLING CONTENT AND DETAILED PRODUCT INFORMATION.** Our goal is to help customers make informed purchasing decisions by providing significant content and detailed product information.
- - **COMPETITIVE PRICES AND COMPELLING VALUE.** We believe we offer our customers products at competitive prices and, combined with our high-quality research experience, provide compelling value.

- - **COMMITMENT TO EXCELLENT CUSTOMER SERVICE.** Consumers expect the highest level of personalized customer service and we aim to exceed our customers' expectations by providing superior customer service, extended warranties, complimentary shipping, and a generous return policy.
- - **GEOGRAPHIC COVERAGE.** By advertising online, via telephone, and via television, we are able to offer an extensive array of products throughout the U.S. and worldwide where the products might not otherwise be available.

### **OUR STRATEGY**

Our objective is to be one of the leading manufacturers of fence stains and cleaning products and related products. Key elements of our strategy include:

- - **FOCUS ON THE PREMIUM RETAIL MARKET.** We intend to capitalize on our online market position in fence stains to become the primary destination for consumers to purchase premium fence stains and cleaning products.
- - **PROVIDE WORLD CLASS TELEVISION CONTENT, CURRENT EVENTS, AND RESEARCH EXPERIENCE.** We intend to enhance our product offerings by providing video content showing the craftsmanship and processes involved in manufacturing our products.
- - **EXPAND RELATIONSHIPS WITH LEADING SUPPLIES.** Our intent is to be the Internet destination of choice for leading and premium brand seekers.
- - **PURSUE WAYS TO INCREASE OUR SALES.** We intend to pursue new opportunities to increase our sales by expanding into new product categories, increasing product selection in our existing departments and continuing to take steps to add new customers and to promote repeat purchases via telemarketing, email, and USPS mail campaigns.
- - **EXPAND OUR OPERATIONAL AND SYSTEMS INFRASTRUCTURE.** We plan to continue to devote resources to growing our systems and operational infrastructure to handle increased volume, enhance our service offerings and take advantage of the unique characteristics of online premium fence stain and cleaning products research.

### **RISK FACTORS**

An investment in our common stock involves a high degree of risk. Since our inception in March 2008, we have incurred small losses, including a net loss of \$100 in March, 2008. We expect our operating losses and negative cash flow to continue for the foreseeable future. Before deciding whether to invest in shares of our common stock, you should carefully consider the risks and uncertainties described in "Risk Factors" beginning on page 7 of this prospectus.

**CORPORATE INFORMATION**

We were incorporated in Colorado in March 2010 under the name fenceRenu, Inc. and began conducting business as fenceRenu in March, 2010. Our corporate offices are located at 1177 South Huron Street, Denver, Colorado 80223. The telephone number is (720) 289-0764. Information contained on our Web site does not constitute part of this prospectus.

**THE OFFERING**

The following information assumes that the underwriters do not exercise the option granted by us to purchase additional shares in the offering. The number below excludes 10,000,000 shares of common stock reserved for issuance under our stock plans, of which 1,000,000 will be subject to outstanding options as of March 29, 2010 with a weighted average exercise price of \$1.00 per share and excludes warrants to purchase 500,000 shares of common stock with a weighted average exercise price of \$5.00 per share. See "Underwriting", "Management – Stock Plans" and Notes 5 and 9 of the notes to our financial statements.

Shares offered by FenceRenu.....	7,000,000 shares
Shares to be outstanding after the offering.....	10,000,000 shares
Shares owned by affiliates after the offering.....	3,000,000 shares
Use of proceeds.....	For general corporate purposes, principally working capital and other operating expenses. See "Use of Proceeds".
Proposed Ticker Symbol.....	"FRIN"

**SUMMARY FINANCIAL INFORMATION**

The following summary financial information is derived from our financial statements included at the back of this prospectus. You should read this summary financial information in conjunction with our financial statements and the related notes. For example, Note 2 of the notes to our financial statements explains the determination of the number of shares and share equivalents used in computing the pro forma per share amounts shown below. You should also read "Use of Proceeds" and "Capitalization".

FenceRenu FORM 1-A

This summary financial information reflects the fact that we were incorporated on March 24, 2010, and did not commence operations or activities until March 24, 2010.

The balance sheet data displayed in the "Pro Forma As Adjusted" column reflect the pro forma adjustments discussed in the preceding paragraph and the application of the net proceeds from the sale of 7,000,000 shares of common stock offered by us at an assumed initial public offering price of \$.40 - per share, after deducting the underwriting discount and estimated offering expenses.

PERIOD FROM INCEPTION      March 24, 2010  
THREE MONTHS ENDED      December 31, 2010

(IN THOUSANDS, EXCEPT SHARE  
AND PER SHARE DATA)

STATEMENT OF PROJECTED OPERATIONS DATA:

Net sales.....	\$ 0	\$ 00,000	\$ 00,000
Gross profit.....	\$ 0	\$ 00,000	\$ 00,000
Operating expenses:			
Marketing and sales.....	0	000	000
General and administrative.....	0	000	000
Profit/Loss from operations.....	0	00,000	00,000
Interest income (expense), net.....	0	--	
Net profit/loss.....	\$ 0	\$ 000	\$ 000
Net loss per share -- basic and diluted.....	\$ (0.00)	\$ 000	\$ 000
Pro forma net loss per share for the assumed conversion of outstanding Series A and Series B preferred stock -- basic and diluted.....	\$ 000	\$ 000	\$ 000
Shares used to compute net loss per share --basic and diluted.....		7,000	7,000
Shares used to compute pro forma net loss per share for the assumed conversion of outstanding Series A and Series B preferred stock -- basic and diluted.....		7,000	7,000

JUNE 30, 2010

	ACTUAL	PRO FORMA	AS ADJUSTED
(IN THOUSANDS)			
<b>BALANCE SHEET DATA:</b>			
Cash and cash equivalents.....	\$00,000	\$ 0,000	\$ 2,660
Working capital.....	00,000	0,000	2,660
Total assets.....	00,000	0,000	2,660
Total stockholders' equity.....	00,000	0,000	2,660

**RISK FACTORS**

You should carefully consider the risks and uncertainties described below and the other information in this prospectus before deciding whether to invest in shares of our common stock. If any of the following risks actually occur, our business, financial condition or operating results will very likely be materially adversely affected. In such case, the trading price of our common stock will very likely decline and you may lose part or all of your investment.

**RISKS RELATED TO OUR BUSINESS**

**OUR LIMITED OPERATING HISTORY MAKES FUTURE FORECASTING DIFFICULT. BECAUSE MOST OF OUR EXPENSES ARE FIXED BASED ON PLANNED OPERATING RESULTS, FAILURE TO ACCURATELY FORECAST REVENUE WILL VERY LIKELY CAUSE NET LOSSES IN A GIVEN QUARTER TO BE GREATER THAN EXPECTED.**

We were incorporated in March, 2010. We will begin advertising our products on our television show and on our website in April 2010. Accordingly, we have an extremely limited operating history upon which to base an evaluation of our business and prospects. Our business and prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly companies in new and rapidly evolving markets such as online commerce. As a result of our limited operating history, it is difficult to accurately forecast our net sales and we have limited meaningful historical financial data upon which to base planned operating expenses. We base our current and future expense levels on our operating plans and estimates of future net sales, and our expenses are to a large extent fixed. Sales and operating results are difficult to forecast because they generally depend on the volume and timing of the orders we receive, which is uncertain. As a result, we may be unable to adjust our spending in a timely manner to compensate for any unexpected revenue shortfall. This inability will very likely cause our net losses in a given quarter to be greater than expected.

**WE ANTICIPATE FUTURE LOSSES AND NEGATIVE CASH FLOW, WHICH MAY LIMIT OR DELAY OUR ABILITY TO BECOME PROFITABLE.**

Since our formation and through June 30, 2010, we will have expended approximately \$70,000 on our technology, Web site development, advertising, hiring of personnel and startup costs. As a result, we will have incurred losses since our inception and expect to experience operating losses and negative cash flow for the foreseeable future. We anticipate our losses will continue to increase from current levels because we expect to incur additional costs and expenses related to:

- - brand development, marketing and other promotional activities;
- - the expansion of our fulfillment operations, which includes supply procurement, warehousing, order receipt, packaging and shipment;
- - the addition of customer service personnel;
- - the continued development of our Web site, the systems and staff that process customer orders and payments, and our computer network;
- - the expansion of our product offerings and Web site content; and
- - development of relationships with strategic business partners.

Our ability to become profitable depends on our ability to generate and sustain substantially higher net sales while maintaining reasonable expense levels. If we do achieve profitability, we cannot be certain that we would be able to sustain or increase profitability on a quarterly or annual basis in the future. See "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations".

**OUR OPERATING RESULTS ARE VOLATILE AND DIFFICULT TO PREDICT. IF WE FAIL TO MEET THE EXPECTATIONS OF PUBLIC MARKET ANALYSTS AND INVESTORS, THE MARKET PRICE OF OUR COMMON STOCK MAY DECLINE SIGNIFICANTLY.**

Our quarterly operating results will fluctuate and we expect both our quarterly and annual operating results to fluctuate significantly in the future. Because our operating results are volatile and difficult to predict, we believe that quarter-to-quarter comparisons of our operating results will not be a good indication of our future performance. In some future quarter our operating results may fall below the expectations of securities analysts and investors. In this event, the trading price of our common stock may decline significantly. The following are material factors that may harm our business or cause our operating results to fluctuate:

- - our inability to obtain new customers at reasonable cost, retain existing customers or encourage repeat purchases;

- - seasonality;
- - our inability to manage inventory levels or control inventory theft;
- - our inability to manage our fulfillment operations;
- - our inability to adequately maintain, upgrade and develop our Web site, the systems that we use to process customer orders and payments or our computer network;
- - the ability of our competitors to offer new or enhanced Web sites, services or products;
- - our inability to obtain product lines from our suppliers;
- - the availability and pricing of supplies and merchandise from vendors; and
- - increases in the cost of online or offline advertising.

A number of factors will cause our gross margins to fluctuate in future periods, including the mix of fence stains and cleaning products and other products sold by us, inventory management, marketing and supply decisions, inbound and outbound shipping and handling costs, the level of product returns and the level of discount pricing and promotional coupon usage. Any change in one or more of these factors will very likely reduce our gross margins in future periods. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Quarterly Results of Operations".

**WE EXPECT TO EXPERIENCE SEASONAL FLUCTUATIONS IN OUR NET SALES, WHICH WILL CAUSE OUR QUARTERLY RESULTS TO FLUCTUATE AND WILL VERY LIKELY CAUSE OUR ANNUAL RESULTS TO BE BELOW EXPECTATIONS.**

We expect to experience significant seasonal fluctuations in our net sales that will cause quarterly fluctuations in our operating results. In particular, we will realize approximately 40% of our net sales for fiscal year 2010 during the second calendar quarter primarily due to gift purchases made during the holiday season and this trend will most likely continue in the future.

In anticipation of increased sales activity during the second calendar quarter, we expect to hire a significant number of temporary employees to bolster our permanent staff and significantly increase our inventory levels. For this reason, if our net sales are below seasonal expectations during this quarter, our annual operating results will very likely be below the expectations of securities analysts and investors.

Due to our lack of operating history, it is difficult to predict the seasonal pattern of our sales and the impact of seasonality on our business and financial results. In the future, our seasonal sales patterns may become more pronounced, may strain our personnel and warehousing and order shipment activities and may cause a shortfall in net sales as compared to expenses in a given period. See "Management's Discussion and Analysis of Financial Condition and Results of Operations".

**IF WE ARE UNABLE TO PURCHASE OR CONTINUE TO PURCHASE PRODUCTS, PARTICULARLY CHEMICALS, DIRECTLY FROM THE MANUFACTURERS, OUR NET SALES WILL VERY LIKELY DECREASE.**

We currently purchase supplies directly from the manufacturers on most of the items we manufacture. Materials purchased directly from manufacturers will account for approximately 70% of all fence stains and cleaning products that we will sell through June 30, 2010. We are negotiating with some manufacturers to purchase those supplies directly in fence stains and cleaning products and other product categories. We believe that purchasing directly from the manufacturers will provide us with a more predictable supply of products, as well as a lower cost of goods. As a result, we believe that part of our success is contingent on attaining or maintaining our ability to buy directly from the manufacturers. If we lose our ability to buy directly from the manufacturers, our net sales or margins may decrease.

**OUR ABILITY TO MEET CONSUMER DEMAND IS IN PART DEPENDENT UPON THE AVAILABILITY OF PRODUCTS PURCHASED INDIRECTLY FROM SOURCES OTHER THAN THE MANUFACTURERS. IF WE ARE UNABLE TO OBTAIN POPULAR PRODUCTS THROUGH INDIRECT SOURCES, OUR NET SALES WILL DECLINE.**

We will purchase supplies indirectly from distributors and other third parties that we do not purchase directly from the manufacturers. Although no indirect source will account for more than 3% of all fence stains and cleaning products that we sell through June 30, 2010, fence stains and cleaning products purchased indirectly from wholesalers, distributors and retailers will account for approximately 30% of all fence stains and cleaning products that we sell. The availability of products purchased indirectly depends on many factors, including consumer demand, manufacturer production and fashion trends. Since there are no guarantees that we will be able to obtain a sufficient supply of products indirectly from third-party distributors and other suppliers, customer demand may, at times, exceed our supply of those products. If this occurs we will very likely lose customers and our net sales would decline. In addition, the fence stain and cleaning products manufacturers will very likely establish procedures to limit or control our ability to purchase products indirectly and several manufacturers in the U.S. have distinctive legal rights rendering them the only legal importer of their respective supplies into the U.S. In the event we acquire such products indirectly from distributors and other third parties who may not have complied with applicable Customs laws and regulations, such goods can be subject to

seizure from our inventory by U.S. Customs, and the importer may have a civil action for damages against us. As it is often difficult to ascertain the original circumstances of importation of certain goods offered to us by our distributors and other third parties, this will very likely impact our ability to obtain sufficient quantities of popular fence stain and cleaning products, such as fence stains and cleaning products, and cause customer dissatisfaction.

**IF WE ARE UNABLE TO OBTAIN SUFFICIENT QUANTITIES OF POPULAR PREMIUM PRODUCTS, OUR NET SALES WILL VERY LIKELY DECREASE.**

If we are not able to offer our customers a sufficient supply and selection of products in a timely manner, we will very likely lose customers and our net sales will very likely be below expectations. Our success depends on our ability to purchase products in sufficient quantities at competitive prices, particularly for the spring and summer shopping season. As is common in the industry, we generally do not have long-term or exclusive arrangements with manufacturers, distributors or brokers that guarantee the availability of supplies.

In the fence stain and cleaning products market, a product periodically becomes intensely popular. From time to time, we may have trouble obtaining sufficient material allocations of particularly popular supplies. In addition, we believe that some of our suppliers may establish their own online retailing efforts, which may impact our ability to get sufficient product allocations from suppliers. In several cases, the supplies that we wish to carry have delayed establishing a relationship with us until they have their own web site up and running. In other cases, the manufacturers distribute only a small amount of product and rely partially on the scarcity of that product to provide a merchandising mystique. It is unlikely that we will obtain product for our web site from suppliers who follow the scarcity mystique, and there is no assurance that we will actually obtain relationships within all sectors that we have planned to offer. Therefore, we do not have a predictable or guaranteed supply of products.

**BECAUSE WE WILL CARRY ALMOST ALL OF THE PRODUCTS WE SELL IN INVENTORY, IF WE ARE UNABLE TO ACCURATELY PREDICT AND PLAN FOR CHANGES IN CONSUMER DEMAND OUR NET SALES AND GROSS MARGINS MAY DECREASE.**

We will carry inventory on approximately 75% of the products we sell. As a result, the rapidly changing trends in consumer tastes in the market for fence stains and cleaning products subject us to significant inventory risks. It is critical to our success that we accurately predict these trends and do not overstock unpopular products. The demand for specific products can change between the time the products are ordered and the date of receipt. We are particularly exposed to this risk because we derive a majority of our net sales in the second calendar quarter of each year. Our failure to sufficiently

stock popular products in advance of the second calendar quarter would harm our operating results for the entire fiscal year. In the event that one or more products do not achieve widespread consumer acceptance, we may be required to take significant inventory markdowns, which will very likely reduce our net sales and gross margins. This risk may be greatest in the first calendar quarter of each year, after we have significantly increased inventory levels for the holiday season. We believe that this risk will increase as we begin to offer additional items due to our lack of experience in purchasing these items. In addition, to the extent that demand for our products increases over time, we may be forced to increase inventory levels. Any increase would subject us to additional inventory risks. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business".

**IF WE EXPERIENCE SIGNIFICANT INVENTORY THEFT, OUR GROSS PROFIT MARGIN WOULD DECREASE.**

Although immaterial to date, in the past we have experienced theft of merchandise shipments in route from our facility to our customers. In the future, we expect that we may also experience theft of merchandise while it is being held in our fulfillment facility. We have worked with our shipping carriers and have taken steps aimed at preventing theft. If these steps are inadequate or if security measures fail at our fulfillment facility, we will very likely incur significant inventory theft, which will very likely cause gross profit margins and results of operations to decrease significantly.

**SALES OF FENCE STAIN AND CLEANING PRODUCTS ARE PARTICULARLY SUSCEPTIBLE TO GENERAL ECONOMIC DOWNTURNS. IF GENERAL ECONOMIC CONDITIONS DETERIORATE, OUR SALES WILL VERY LIKELY SUFFER.**

Purchases of premium products are typically discretionary for consumers and may be particularly affected by negative trends in the general economy. The success of our operations depends to a significant extent on a number of factors relating to discretionary consumer spending and affecting disposable consumer income, such as employment, wages and salaries, business conditions, interest rates, exchange rates, availability of credit and taxation. In addition, because the purchase of premium products is relatively discretionary, any reduction in disposable income in general may affect us more significantly than companies in other industries.

**TO MANAGE OUR GROWTH AND EXPANSION, WE WILL NEED TO IMPROVE AND IMPLEMENT FINANCIAL AND MANAGERIAL CONTROLS AND IMPROVE OUR REPORTING SYSTEMS AND PROCEDURES. IF WE ARE UNABLE TO DO SO SUCCESSFULLY, WE MAY NOT BE ABLE TO MANAGE GROWTH EFFECTIVELY AND OUR OPERATING RESULTS WOULD BE HARMED.**

Our expected rapid growth in personnel and operations will place a significant strain on our management, information systems and resources. In order to manage this growth

effectively, we will need to continue to improve our financial and managerial controls and reporting systems and procedures. Our management team has been assembled recently and has not worked together extensively in the past. There can be no assurance that the management team can work together effectively and can implement our internal growth and acquisition strategies. Any inability of our management to integrate additional companies, customer databases, merchandise lines, categories of merchandise, technology advances, fulfillment systems, and customer service into operations and to eliminate unnecessary duplication may have a materially adverse effect on our business, financial condition and results of operations.

**IF WE ARE UNABLE TO SUCCESSFULLY IMPLEMENT OUR NEW ACCOUNTING AND FINANCIAL REPORTING SYSTEMS, OUR STOCK PRICE WILL VERY LIKELY DECLINE.**

We anticipate expanding our financial and management information systems to accommodate new data. If we fail to successfully implement and integrate our new financial reporting and management information systems with our existing systems or if we are not able to expand these systems to accommodate our growth, we may not have adequate, accurate or timely financial information. Our failure to have adequate, accurate or timely financial information would hinder our ability to manage our business and operating results. If we grow rapidly, we will face additional challenges in upgrading and maintaining our financial and reporting systems.

**WE MAY NOT BE ABLE TO COMPETE SUCCESSFULLY AGAINST CURRENT AND FUTURE COMPETITORS.**

We expect competition in the online sale of fence stains and cleaning products to intensify in the future. Increased competition is likely to result in price pressure, reduced gross margins and loss of market share, any of which will very likely seriously harm our net sales and operating results. In addition, the retail watch industry is intensely competitive. We currently or potentially compete with a variety of other companies, including:

- - traditional retailers of fence stains and cleaning products;
- - manufacturers of the products we sell;
- - other online manufacturers of fence stains and cleaning products; and
- - catalog retailers.

Many of our competitors have advantages over us including longer operating histories, greater brand recognition and significantly greater financial, sales and marketing and other resources. In addition, traditional store-based retailers offer customers benefits that are not obtainable over the Internet,

such as enabling customers to physically inspect a product before purchase and not incurring costs associated with maintaining a Web site. See "Business -- Competition".

**IF WE ARE UNABLE TO BUILD AWARENESS OF THE FENCERENU BRAND, WE MAY NOT BE ABLE TO COMPETE EFFECTIVELY AGAINST COMPETITORS WITH GREATER NAME RECOGNITION AND OUR SALES WILL VERY LIKELY BE ADVERSELY AFFECTED.**

If we are unable to economically achieve or maintain a leading position in online commerce or to promote and maintain our brand, our business, results of operations and financial condition will very likely suffer. We believe that the importance of brand recognition will increase as more companies engage in commerce over the Internet. Development and awareness of our brand will depend largely on our success in increasing our customer base. If the leading manufacturers do not perceive us as an effective marketing and sales channel for their merchandise, or consumers do not perceive us as offering a desirable way to purchase merchandise, we may be unsuccessful in promoting and maintaining our brand. Furthermore, in order to attract and retain customers and to promote and maintain our brand in response to competitive pressures, we plan to increase our marketing and advertising budgets and otherwise to increase substantially our financial commitment to creating and maintaining brand loyalty among vendors and consumers.

**IF WE ENTER NEW BUSINESS CATEGORIES THAT DO NOT ACHIEVE MARKET ACCEPTANCE, OUR BRAND AND REPUTATION WILL VERY LIKELY BE DAMAGED AND WE WILL VERY LIKELY FAIL TO ATTRACT NEW CUSTOMERS.**

If we launch or acquire a new department or product category that is not favorably received by consumers, our brand or reputation will very likely be damaged. This damage will very likely impair our ability to attract new customers, which will very likely cause our net sales to fall below expectations. An expansion of our business to include other fence stain and cleaning products will require significant additional expenses, and strain our management, financial and operational resources. This type of expansion would also subject us to increased inventory risk. We may choose to expand our operations by developing other new departments or product categories, promoting new or complementary products, expanding the breadth and depth of products and services offered or expanding our market presence through relationships with third parties. In addition, we may pursue the acquisition of other new or complementary businesses, products or technologies.

**IF OUR STRATEGY TO SELL PRODUCTS OUTSIDE OF THE UNITED STATES IS NOT SUCCESSFUL, OUR INCREASES IN OPERATING EXPENSES MAY NOT BE OFFSET BY INCREASED SALES.**

If we are not able to successfully market, sell and distribute our products in foreign markets or if certain risks and uncertainties of doing business in foreign markets prove insurmountable then these factors will very likely have a material adverse effect on our future global operations, and consequently, on our operating margins. Although we do not sell merchandise to customers outside the United States, we intend to do so in the future. We do not currently have any overseas fulfillment or distribution facility or arrangement or any Web site content localized for foreign markets, and we cannot be certain that we will be able to establish a global presence. In addition, there are certain risks inherent in doing business on a global level, including:

- - regulatory requirements;
- - export restrictions;
- - tariffs and other trade barriers;
- - difficulties in staffing and managing foreign operations;
- - difficulties in protecting intellectual property rights;
- - longer payment cycles;
- - problems in collecting accounts receivable;
- - political instability;
- - fluctuations in currency exchange rates; and
- - potentially adverse tax consequences.

**IF WE DO NOT SUCCESSFULLY EXPAND OUR FULFILLMENT OPERATIONS, OUR NET SALES MAY FALL BELOW EXPECTATIONS.**

We must be able to quickly and efficiently fill customer orders. If we do not successfully expand our fulfillment operations to accommodate increases in demand, particularly during the second calendar quarter of each year, we will not be able to increase our net sales in accordance with the expectations of securities analysts and investors. In the retail industry, second quarter sales are often as much as 50% of total annual sales. Our success depends on our ability to rapidly expand our fulfillment operations and information systems in order to accommodate increases in customer orders, whether due to seasonal factors or growth of our business. Our planned expansion may cause disruptions in our business. Our current fulfillment operations may not be adequate to accommodate increases in customer demand that may occur during the second

calendar quarter of 2010.

**IF WE EXPERIENCE PROBLEMS WITH OUR THIRD-PARTY SHIPPING SERVICES, WE WILL VERY LIKELY LOSE CUSTOMERS.**

We rely upon third-party carriers, including Federal Express and UPS, for product shipments, including shipments to and from our warehouse. We are therefore subject to the risks, including employee strikes and inclement weather, associated with these carriers' ability to provide delivery services to meet our shipping needs. In addition, failure to deliver products to our customers in a timely manner would damage our reputation and brand.

**OUR OPERATING RESULTS DEPEND ON OUR INTERNALLY DEVELOPED WEB SITE, NETWORK INFRASTRUCTURE AND TRANSACTION-PROCESSING SYSTEMS. IF WE DO NOT SUCCESSFULLY EXPAND OUR WEB SITE AND THE SYSTEMS THAT PROCESS CUSTOMER ORDERS, WE WILL VERY LIKELY LOSE CUSTOMERS AND NET SALES WILL VERY LIKELY BE REDUCED.**

The satisfactory performance, reliability and availability of our Web site, transaction-processing systems and network infrastructure are critical to our operating results, as well as to our ability to attract and retain customers and maintain adequate customer service levels. Any system interruptions that result in the unavailability of our Web site or reduced performance of the transaction systems would reduce the volume of sales and the attractiveness of our service offerings. This would seriously harm our business, operating results and financial condition. We are currently upgrading our system architecture to accommodate increased traffic and processing needs. We expect this process to be time consuming and expensive and our upgrade may not be successful.

We use internally developed systems for our Web site and substantially all aspects of transaction processing, including customer profiling and order verifications. We have experienced periodic systems interruptions due to server failure, which we believe will continue to occur from time to time. If the volume of traffic on our Web site or the number of purchases made by customers increases by more than 20 times our current sales levels, we will need to further expand and upgrade our technology, transaction processing systems and network infrastructure. We have experienced and expect to continue to experience temporary capacity constraints due to sharply increased traffic during sales or other promotions, which cause unanticipated system disruptions, slower response times, degradation in levels of customer service, impaired quality and delays in reporting accurate financial information.

If we fail to rapidly upgrade our Web site or toll-free call center in order to accommodate increased traffic, we may lose customers, which would reduce our net sales. Furthermore, if we fail to rapidly expand the computer systems that we use to process and ship customer orders and process payments, we

may not be able to successfully fulfill customer orders. As a result, we will very likely lose customers and our net sales will very likely be reduced. In addition, our failure to rapidly upgrade our Web site or expand these computer systems without system downtime, particularly during the second calendar quarter, would further reduce our net sales. We may experience difficulty in improving and maintaining our systems if our employees or contractors that develop or maintain our computer systems become unavailable to us. We have experienced periodic systems interruptions, which we believe will continue to occur, while enhancing and expanding these computer systems.

**OUR FACILITIES AND SYSTEMS ARE VULNERABLE TO NATURAL DISASTERS AND OTHER UNEXPECTED PROBLEMS. THE OCCURRENCE OF A NATURAL DISASTER OR OTHER UNEXPECTED PROBLEM WILL VERY LIKELY DAMAGE OUR REPUTATION AND BRAND AND REDUCE OUR NET SALES.**

The occurrence of a natural disaster or unanticipated problems at our leased or offsite hosting facilities that house substantially all of our computer and communications hardware systems will very likely cause interruptions or delays in our business, destroy data or render us unable to accept and fulfill customer orders. Any of these interruptions or delays at these facilities would reduce our net sales. In addition, our systems and operations are vulnerable to damage or interruption from fire, flood, power loss, telecommunications failure, break-ins, earthquake and similar events. We have not established specific procedures for handling damage or interruptions caused by these events and our business interruption insurance may not adequately compensate us for losses that may occur. In addition, the failure by the third-party facility to provide the data communications capacity required by us, as a result of human error, natural disaster or other operational disruptions, will very likely interrupt our service. The occurrence of any or all of these events will very likely damage our reputation and brand and impair our business.

**OUR NET SALES WILL VERY LIKELY DECREASE IF OUR ONLINE SECURITY MEASURES FAIL.**

Our relationships with our customers may be adversely affected if the security measures that we use to protect their personal information, such as credit card numbers, are ineffective. If, as a result, we lose many customers, our net sales will very likely decrease. We rely on security and authentication technology that we license from third parties. With this technology, we perform real-time credit card authorization and verification with our bank. We cannot predict whether events or developments will result in a compromise or breach of the technology we use to protect a customer's personal information. Furthermore, our servers may be vulnerable to computer viruses, physical or electronic break-ins and similar disruptions. We may need to expend significant additional capital and other resources to protect against a security breach or to alleviate problems caused by any breaches. We cannot assure that we can prevent all security breaches.

**OUR NET SALES AND GROSS MARGINS WOULD DECREASE IF WE EXPERIENCE SIGNIFICANT CREDIT CARD FRAUD.**

A failure to adequately control fraudulent credit card transactions would reduce our net sales and our gross margins because we do not carry insurance against this risk. We have developed procedures to help us to detect the fraudulent use of credit card information. Under current credit card practices, we are liable for fraudulent credit card transactions because we do not obtain a cardholder's signature.

**IF WE DO NOT RESPOND TO RAPID TECHNOLOGICAL CHANGES, OUR PRODUCTS WILL VERY LIKELY BECOME OBSOLETE AND WE WILL VERY LIKELY LOSE CUSTOMERS.**

If we face material delays in introducing new services, products and enhancements, our customers may forego the use of our services and use those of our competitors. To remain competitive, we must continue to enhance and improve the functionality and features of our online store. The Internet and the online commerce industry are rapidly changing. If competitors introduce new products and services, or if new industry standards and practices emerge, our existing Web site and proprietary technology and systems may become obsolete. To develop our Web site and technology entails significant technical and business risks. We may use new technologies ineffectively or we may fail to adapt our technology to meet customer requirements or emerging industry standards.

**INTELLECTUAL PROPERTY CLAIMS AGAINST US CAN BE COSTLY AND WILL VERY LIKELY IMPAIR OUR BUSINESS.**

Other parties may assert infringement or unfair competition claims against us. We cannot predict whether they will do so, or whether any future assertions or prosecutions will harm our business. If we are forced to defend against any infringement claims, whether they are with or without merit or are determined in our favor, then we may face costly litigation, diversion of technical and management personnel, or product shipment delays. Further, the outcome of a dispute may be that we would need to develop non-infringing technology or enter into royalty or licensing agreements. Royalty or licensing agreements, if required, may be unavailable on terms acceptable to us, or at all.

**IF THE PROTECTION OF OUR TRADEMARKS AND PROPRIETARY RIGHTS IS INADEQUATE, OUR BRAND AND REPUTATION WILL VERY LIKELY BE IMPAIRED AND WE WILL VERY LIKELY LOSE CUSTOMERS.**

The steps we take to protect our proprietary rights may be inadequate. We regard our copyrights, service marks, trademarks, trade dress, trade secrets and

similar intellectual property as critical to our success. We rely on trademark and copyright law, trade secret protection and confidentiality or license agreements with our employees, customers, partners and others to protect our proprietary rights. In April and in May 2010, we will file applications with the United States Patent and Trademark Office for registration of the trademarks "FENCERENU" and "FenceRenu" for multiple classes of goods. In September 2010, we will file applications with the United States Patent and Trademark Office for registration of the FenceRenu design mark and the stylized "A" design mark for multiple classes of goods. Effective trademark, service mark, copyright and trade secret protection may not be available in every country in which we will sell our products and services online. Furthermore, the relationship between regulations governing domain names and laws protecting trademarks and similar proprietary rights is unclear. Therefore, we may be unable to prevent third parties from acquiring domain names that are similar to, infringe upon or otherwise decrease the value of our trademarks and other proprietary rights.

**THE LOSS OF THE SERVICES OF ONE OR MORE OF OUR KEY PERSONNEL, OR OUR FAILURE TO ATTRACT, ASSIMILATE AND RETAIN OTHER HIGHLY QUALIFIED PERSONNEL IN THE FUTURE, WILL VERY LIKELY DISRUPT OUR OPERATIONS AND RESULT IN LOSS OF NET SALES.**

Our future performance will depend on the continued services of our management and key personnel and the ability to attract additional management and key personnel. The loss of the services of one or more of our key personnel will very likely seriously interrupt our business. We depend on the continued services and performance of our senior management and other key personnel. Our future success also depends upon the continued service of our executive officers and other key sales, marketing and support personnel. Several of our senior management will join us in the first six months, including our Chief Executive Officer, Chief Financial Officer, Vice President of Marketing, Vice President of Business Development, Vice President of Merchandising and Vice President, General Counsel and Secretary. Our future success depends on these officers effectively working together with our original management team. Our relationships with these officers and key employees are at will and none of our officers or key employees is bound by an employment agreement for any specific term. We are currently exploring have key person life insurance policies covering Tre Allison. While the proceeds of this policy might assist us in recruiting executive officers, the proceeds would not address the potential disruption to our business of recruiting and integrating new senior management.

**WE MAY NOT ACHIEVE EXPECTED BENEFITS OF ANY INVESTMENTS OR ACQUISITIONS THAT WE COMPLETE.**

As we identify appropriate opportunities, we intend to make acquisitions of or investments in complementary companies, products or technologies. We may not correctly identify or realize the anticipated benefits of any acquisition or investment. For example, we may not be able to successfully assimilate the

additional personnel, operations, acquired technology and products into our business. Acquisitions may further strain our existing financial and managerial controls and reporting systems and procedures. In addition, key personnel of acquired companies may decide not to work for us. These difficulties will very likely disrupt our ongoing business, distract our management and employees or increase our expenses. Further, any physical expansion in facilities due to an acquisition may result in disruptions that seriously impair our business. We are not experienced in managing facilities or operations in geographically distant areas. Finally, in connection with any future acquisitions, we may incur debt or issue equity securities as part or all of the consideration for the acquired company's assets or capital stock. We may be unable to obtain sufficient additional financing on favorable terms, or at all. Equity issuances will very likely be dilutive to our existing stockholders or us.

**EXECUTIVE OFFICERS, DIRECTORS AND ENTITIES AFFILIATED WITH THEM WILL CONTINUE TO HAVE SUBSTANTIAL CONTROL OVER FENCERENU AFTER THE OFFERING WHICH WILL VERY LIKELY DELAY OR PREVENT A CHANGE IN OUR CORPORATE CONTROL FAVORED BY OUR OTHER STOCKHOLDERS.**

Executive officers, directors and entities affiliated with them, if acting together, would be able to significantly influence all matters requiring approval by our stockholders, including the election of directors and the approval of mergers or other business combination transactions. These stockholders will, in aggregate, beneficially own approximately 51% of our outstanding common stock following the completion of this offering. See "Principal Stockholders".

**IT MAY BE DIFFICULT FOR A THIRD PARTY TO ACQUIRE US EVEN IF DOING SO WOULD BE BENEFICIAL TO OUR STOCKHOLDERS.**

Provisions of our certificate of incorporation, our by-laws and COLORADO law will very likely make it more difficult for a third party to acquire us, even if doing so would be beneficial to our stockholders. In particular, our certificate of incorporation provides for a board of directors that is divided into three classes which may issue preferred stock without any stockholder action. Our certificate of incorporation also does not allow stockholders to act by written consent or for cumulative voting in the election of directors. In addition, Section 203 of the COLORADO General Corporation Law places restrictions on business combinations with interested stockholders. See "Description of Capital Stock".

**INVESTORS IN THE OFFERING WILL EXPERIENCE IMMEDIATE DILUTION.**

We expect the initial public offering price to be substantially higher than the book value per share of the outstanding common stock immediately after this offering. Accordingly, if you purchase common stock in this offering, you will:

- pay a price per share that substantially exceeds the value of our assets after subtracting liabilities; and
- contribute 62% of our capital but will only own 17% of the shares outstanding. See "Dilution".

## **RISKS RELATED TO OUR INDUSTRY**

### **WE DEPEND ON INCREASING USE OF THE INTERNET AND ON THE GROWTH OF ONLINE COMMERCE.**

Our future revenues substantially depend upon the increased acceptance and use of the Internet and other online services as a medium of commerce. Rapid growth in the use of the Internet, the Web and online services is a recent phenomenon. As a result, acceptance and use may not continue to develop at historical rates and a sufficiently broad base of customers may not adopt, and/or continue to use, the Internet and other online services as a medium of commerce. Demand and market acceptance for recently introduced services and products over the Internet are subject to a high level of uncertainty and there exist few proven services and products.

In addition, the Internet may not be accepted as a viable long-term commercial marketplace for a number of reasons, including potentially inadequate development of the necessary network infrastructure or delayed development of enabling technologies and performance improvements. If the Internet continues to experience significant expansion in the number of users, frequency of use or bandwidth requirements, the infrastructure for the Internet may be unable to support the demands placed upon it. In addition, the Internet will very likely lose its viability as a commercial medium due to delays in the development or adoption of new standards and protocols required to handle increased levels of Internet activity, or due to increased governmental regulation. Changes in, or insufficient availability of, telecommunications services to support the Internet also will very likely result in slower response times and adversely affect usage of the Internet generally.

Our business, financial condition and results of operations would be seriously harmed if:

- - use of the Internet, the Web and other online services does not continue to increase or increases more slowly than expected;
- - the infrastructure for the Internet, the Web and other online services does not effectively support expansion that may occur;
- - the Internet, the Web and other online services do not become a viable commercial marketplace; or

- - traffic to our Web site decreases or fails to increase as expected or if we spend more than we expect to attract visitors to our Web site.

**IF WE ARE UNABLE TO ACQUIRE THE NECESSARY WEB DOMAIN NAMES, OUR BRAND AND REPUTATION WILL VERY LIKELY BE DAMAGED AND WE WILL VERY LIKELY LOSE CUSTOMERS.**

We may be unable to acquire or maintain Web domain names relating to our brand in the United States and other countries in which we may conduct business. As a result, we may be unable to prevent third parties from acquiring and using domain names relating to our brand, which will very likely damage our brand and reputation and take customers away from our Web site. We currently hold the "FenceRenu" and "plastiron.com" domain names and may seek to acquire additional domain names. Governmental agencies and their designees generally regulate the acquisition and maintenance of domain names. The regulation of domain names in the United States and in foreign countries is subject to change in the near future. The changes in the United States are expected to include a transition from the current system to a system that is controlled by a non-profit corporation and the creation of additional top-level domains. Governing bodies may establish additional top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names.

**WE MAY NEED TO CHANGE THE MANNER IN WHICH WE CONDUCT OUR BUSINESS IF GOVERNMENT REGULATION INCREASES.**

The adoption or modification of laws or regulations relating to the Internet will very likely adversely affect the manner in which we currently conduct our business. In addition, the growth and development of the market for online commerce may lead to more stringent consumer protection laws, both in the United States and abroad, that may impose additional burdens on us. Laws and regulations directly applicable to communications or commerce over the Internet are becoming more prevalent. The United States Congress recently enacted Internet laws regarding children's privacy, copyrights, taxation and the transmission of sexually explicit material. The European Union recently enacted its own privacy regulations. Laws regulating the Internet, however, remain largely unsettled, even in areas where there has been some legislative action. It may take years to determine whether and how existing laws such as those governing intellectual property, privacy, libel, and taxation apply to the Internet.

In order to comply with new or existing laws regulating online commerce, we may need to modify the manner in which we do business, which may result in additional expenses. For instance, we may need to spend time and money revising the process by which we fulfill customer orders to ensure that each shipment complies with applicable laws. We may need to hire additional personnel to monitor our compliance with applicable laws. We may also need to modify our

software to further protect our customers' personal information.

**WE MAY BE SUBJECT TO LIABILITY FOR THE INTERNET CONTENT THAT WE PUBLISH.**

As a publisher of online content, we face potential liability for defamation, negligence, copyright, patent or trademark infringement, or other claims based on the nature and content of materials that we publish or distribute. If we face liability, then our reputation and our business may suffer. In the past, plaintiffs have brought these types of claims and sometimes successfully litigated them against online companies. In addition, we will very likely be exposed to liability with respect to the unauthorized duplication of content or unauthorized use of other parties' proprietary technology. Although we carry general liability insurance, our insurance currently does not cover claims of these types. We cannot be certain that we will be able to obtain insurance to cover the claims on reasonable terms or that it will be adequate to indemnify us for all liability that may be imposed on us. Any imposition of liability that is not covered by our insurance or is in excess of insurance coverage will very likely decrease our gross profit.

**OUR NET SALES WILL VERY LIKELY DECREASE IF WE BECOME SUBJECT TO SALES OR OTHER TAXES.**

If one or more states or any foreign country successfully asserts that we should collect sales or other taxes on the sale of our products, our net sales and results of operations will very likely be harmed. We do not currently collect sales or other similar taxes for physical shipments of goods into states other than Texas. However, one or more local, state or foreign jurisdictions may seek to impose sales tax collection obligations on us. In addition, any new operation will very likely subject our shipments in other states to state sales taxes under current or future laws. If we become obligated to collect sales taxes, we will need to update our system that processes customer orders to calculate the appropriate sales tax for each customer order and to remit the collected sales taxes to the appropriate authorities. These upgrades will increase our operating expenses. In addition, our customers may be discouraged from purchasing products from us because they have to pay sales tax, causing our net sales to decrease. As a result, we may need to lower prices to retain these customers.

**RISKS RELATED TO SECURITIES MARKETS**

**WE MAY BE UNABLE TO MEET OUR FUTURE CAPITAL REQUIREMENTS.**

We cannot be certain that additional financing will be available to us on favorable terms when required, or at all. If we raise additional funds through the issuance of equity, equity-related or debt securities, the securities may have rights, preferences or privileges senior to those of the rights of our

common stock and our stockholders may experience additional dilution. We require substantial working capital to fund our business. Since our inception, we have experienced negative cash flow from operations and expect to experience significant negative cash flow from operations for the foreseeable future. We currently anticipate that the net proceeds of this offering, together with our available funds, will be sufficient to meet our anticipated needs for working capital and capital expenditures through at least the next 12 months. After that, we may need to raise additional funds.

**NO PUBLIC MARKET FOR OUR COMMON STOCK CURRENTLY EXISTS AND AN ACTIVE TRADING MARKET MAY NOT DEVELOP OR BE SUSTAINED FOLLOWING THIS OFFERING.**

Prior to this offering, there has been no public market for our common stock. We cannot be certain that an active trading market for our common stock will develop or be sustained following this offering. Further, we cannot be certain that the market price of our common stock will not decline below the initial public offering price. The initial public offering price will be determined by negotiation among us and the underwriters based upon several factors and may not be indicative of future market prices for our common stock.

**OUR COMMON STOCK PRICE MAY BE VOLATILE, WHICH WILL VERY LIKELY RESULT IN SUBSTANTIAL LOSSES FOR INDIVIDUAL STOCKHOLDERS.**

The market price for our common stock is likely to be highly volatile and subject to wide fluctuations in response to factors including the following, some of which are beyond our control:

- - actual or anticipated variations in our quarterly operating results;
- - announcements of technological innovations or new products or services by us or our competitors;
- - changes in financial estimates by securities analysts;
- - conditions or trends in the Internet and/or online commerce industries;
- - changes in the economic performance and/or market valuations of other Internet, online commerce or retail companies;
- - announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- - additions or departures of key personnel;
- - release of lock-up or other transfer restrictions on our outstanding shares of

common stock or sales of additional shares of common stock; and

- - potential litigation.

In addition, the stock market has from time to time experienced extreme price and volume fluctuations. These broad market fluctuations may adversely affect the market price of our common stock.

**IF OUR STOCK PRICE IS VOLATILE, WE WILL VERY LIKELY FACE A SECURITIES CLASS ACTION LAWSUIT.**

In the past, following periods of volatility in the market price of their stock, many companies have been the subject of securities class action litigation. If we were sued in a securities class action, it will very likely result in substantial costs and a diversion of management's attention and resources and would cause our stock price to fall.

**AFTER THE OFFERING, 60%, OF OUR TOTAL OUTSTANDING SHARES WILL BE RESTRICTED FROM IMMEDIATE RESALE BUT MAY BE SOLD INTO THE MARKET IN THE NEAR FUTURE. THIS WILL VERY LIKELY CAUSE THE MARKET PRICE OF OUR COMMON STOCK TO DROP SIGNIFICANTLY, EVEN IF OUR BUSINESS IS DOING WELL.**

After this offering, we will have outstanding 5,000,000 shares of common stock. This includes the 5,000,000 we are advertising in this offering, which may be resold in the public market immediately. The remaining 60%, or 4,000,000 shares, of our total outstanding shares will become available for resale in the public market from time to time beginning 180 days after the closing of this offering.

As restrictions on resale end, the market price will very likely drop significantly if the holders of these restricted shares sell them or are perceived by the market as intending to sell them. For a more detailed description, see "Shares Eligible for Future Sale".

**USE OF PROCEEDS**

The net proceeds to FenceRenu from the sale of the 7,000,000 shares of common stock offered hereby are estimated to be \$2,660,000, assuming an initial public offering price of \$0.40 per share, and after deducting estimated underwriting discounts and commissions and estimated offering expenses. The net proceeds of this offering are estimated to be \$2,660,000 if the underwriters' over-allotment option is exercised in full.

The primary purposes of this offering are to increase our working capital,

create a public market for the common stock to facilitate our future access to public capital markets, to increase our visibility in the retail marketplace. Our business plan currently provides that we will use over 50% of the net proceeds for increases in marketing expenditures to generate sales, for working capital investments in inventory and other increases in operating expenses relating to personnel and for facilities to accommodate possible future growth of our business. We plan to use a portion of the remaining net proceeds for the acquisition of businesses, products and technologies that are complementary to ours. Pending these uses, we will invest the net proceeds of this offering in investment grade, interest-bearing securities.

### **DIVIDEND POLICY**

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings for use in the operation and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future.

### **CAPITALIZATION**

The following table sets forth our capitalization as of June 30, 2010 on an actual, pro forma, and pro forma as adjusted basis. The "Actual" column reflects our capitalization as of June 30, 2010 on an historical basis, without any adjustments to reflect subsequent events or anticipated events. The "Pro Forma" column reflects our capitalization as of June 30, 2010 with adjustments for the following:

- - the filing of our certificate of incorporation to provide for authorized capital stock of 10,000,000 shares of common stock,

The "Pro Forma As Adjusted" column reflects our capitalization as of June 30, 2010 with the preceding pro forma adjustments plus the receipt of the estimated net proceeds from our sale of 7,000,000 shares of common stock at an assumed initial public offering price of \$0.40 per share.

None of the columns reflects the 3,000,000 shares of common stock reserved for issuance under our stock plans, of which 3,000,000 shares were subject to outstanding options as of June 30, 2010 or the 100,000 shares of common stock reserved for issuance under outstanding warrants.

The table below should be read in conjunction with our balance sheet as of June 30, 2010 and the related notes, which are included elsewhere in this prospectus. You should review Notes 5 and 9 to the notes to our financial

FenceRenu FORM 1-A

statements for descriptions of our Series A preferred stock, Series B preferred stock and Series C preferred stock.

JUNE 30, 2010			
-----			
PRO FORMA			
	ACTUAL	PRO FORMA	ADJUSTED
	-----	-----	-----
	(IN THOUSANDS, EXCEPT SHARE DATA)		
<S>	<C>	<C>	<C>
Stockholders' equity:			
Convertible preferred stock, \$.001 par value per share, 0 shares authorized, 0 shares issued and outstanding actual; no shares authorized, issued and outstanding pro forma and as adjusted.....	16	--	--
Preferred stock, \$.001 par value per share, no shares authorized, issued or outstanding actual; 0 shares authorized, no shares issued and outstanding pro forma and as adjusted.....	--	--	--
Common stock, \$.001 par value per share, 10,000,000 shares authorized, 10,000,000 shares issued and outstanding actual; 10,000,000 shares authorized, 0 shares issued and outstanding pro forma; 0 shares authorized, 0 issued and outstanding as adjusted.....	13	31	37
Additional paid-in capital.....	00	00	00
Deferred compensation.....	(00)	(00)	(00)
Subscription receivable.....	(00)	(00)	(00)
Accumulated deficit.....	(00)	(000)	(00)
	-----	-----	-----
Total stockholders' equity.....	00	00	00
	-----	-----	-----
Total capitalization.....	\$ 00	\$00	\$00
	=====	=====	=====

DILUTION

Our pro forma net tangible book value as of June 30, 2010 was approximately \$0 or \$0.00 per share. Pro forma net tangible book value per share

represents the amount of our total tangible assets at June 30, 2010 will increase by the net proceeds of the Series C preferred stock issuance in July 2010, reduced by the amount of our total liabilities and divided by the total number of shares of common stock outstanding after giving effect to the automatic conversion of the Series A, Series B and Series C preferred stock. Dilution in pro forma net tangible book value per share represents the difference between the amount per share paid by purchasers of shares of common stock in this offering and the pro forma net tangible book value per share of common stock immediately after the completion of this offering. After giving effect to the sale of 10,000,000 shares of common stock offered by us at an assumed initial public offering price of \$00.40 per share, and after deducting the underwriting discount and estimated offering expenses payable by us, our pro forma net tangible book value at June 30, 2010 would have been approximately \$2.66 million or \$.40 per share of common stock. This represents an immediate increase in pro forma net tangible book value of \$0.00 per share to existing stockholders and an immediate dilution of \$0.00 per share to new investors of common stock. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share.....	\$00.40
Pro forma net tangible book value per share before the offering.....	\$ 0.00
Increase per share attributable to new investors.....	0.40
-----	
Pro forma net tangible book value per share after the offering (as adjusted).....	0.40
-----	
Dilution per share to new investors.....	\$ 0.00
=====	

The following table summarizes on an as adjusted basis after giving effect to the offering, as of June 30, 2010, the differences between the existing stockholders and new investors with respect to the number of shares of common stock purchased from us, the total consideration paid by investors and the average price per share paid:

PRICE	SHARES TO BE PURCHASED		AVERAGE TOTAL CONSIDERATION		PER SHARE
	NUMBER	PERCENT	AMOUNT	PERCENT	
Current investors.....	001	00%	\$ 0,000,000	0%	\$ 0.40
New investors.....	10000	70%	2,660,000	70%	00.40
Totals.....	00,00?,00?	100.0%	\$2,660,000	100.0%	0.40
	=====	=====	=====	=====	

The preceding tables exclude 3,000,000 shares of common stock reserved for issuance under our option plans, of which 0 were subject to outstanding options as of June 30, 2010 with a weighted average exercise price of \$0.40 per share and warrants to purchase 0 shares of common stock with a weighted average exercise price of \$0.40 per share.

### SELECTED FINANCIAL DATA

The following selected financial and operating data should be read in conjunction with the financial statements and the notes to the financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations", which are included elsewhere in this prospectus. You should review Note 2 to the notes to our financial statements for an explanation of the determination of the number of shares and share equivalents used in computing the pro forma per share amounts shown below. The pro forma share amounts reflect the assumed conversion of outstanding preferred stock into common stock. See "Management's Discussion and Analysis of Financial Condition and Results of Operations".

The selected financial data reflect that prior to March 31, 2010, we had no operations or activities. The statement of operations data shown below for the period from inception, March 6, 2008 through March 31, 2010, and the selected balance sheet data as of March 31, 2010 have been derived from our financial statements appearing elsewhere in this prospectus. In the opinion of management, the unaudited statements of operations data shown for the three month periods ended June 30, 2008 and June 30, 2010 and the unaudited balance sheet data as of June 30, 2010 have been prepared on the same basis as the audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the financial position and results of operations for such periods. Results for the three months ended June 30, 2010 are not necessarily indicative of the results that may be expected for the fiscal year ending March 31, 2010. Although we were incorporated in March 2010, we did not commence operations or activities until April 2010. Our general and administrative operating expenses include expenses related to the amortization of deferred compensation, which is \$0 for the period from inception through March 31, 2010 and \$0 for the period April 1, 2010 through December 31, 2010.

PERIOD FROM INCEPTION (MARCH 24, 2010)	THREE MONTHS ENDED JUNE 30,
--	-----------------------------------

FenceRenu FORM 1-A

THROUGH  
DECEMBER 31, 2010 2010 2010

(IN THOUSANDS, EXCEPT SHARE  
AND PER SHARE DATA)

STATEMENT OF PROJECTED OPERATIONS DATA:

Net sales.....	\$ 00	\$ 000	\$ 000
Cost of sales.....	00	000	000
Gross profit.....	00	000	000
Operating expenses:			
Marketing and sales.....	00	000	000
General and administrative.....	00	588	598
Total operating expenses.....	00	000	000
Loss from operations.....	00	000	000
Interest income (expense), net.....	0	--	00
Net loss.....	\$ 0	\$ 0,000	\$ 0,000
Net loss per share -- basic and diluted.....	\$ (0.00)	\$ (00)	\$ (00)
Pro forma net loss per share for the assumed conversion of outstanding preferred stock -- basic and diluted(1).....	\$ (0.00)	\$ (0.00)	\$ (0.00)
Shares used to compute net loss per share -- basic and diluted.....	10000000	10000000	10000000
Shares used to compute pro forma net loss per share for the assumed conversion of outstanding Series A and Series B preferred stock -- basic and diluted(1).....	00000	00000	00000

MARCH 31, 2010 JUNE 30, 2010

ACTUAL ACTUAL PRO FORMA(2)

(IN THOUSANDS)

BALANCE SHEET DATA:

Cash and cash equivalents.....	\$ 000	\$00000	\$00000
Working capital.....	0000	00000	00000
Total assets.....	0000	0000	0000
Total stockholders' equity.....	0000	0000	0000

- (1) See Note 1 of Notes to Financial Statements for an explanation of the determination of the number of shares and share equivalents used in computing pro forma per share amounts.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Except for historical information, the discussion in this prospectus contains forward-looking statements that involve risks and uncertainties. These statements refer to our future plans, objectives, expectations and intentions. These statements may be identified by the use of words such as "expects", "anticipates", "intends", "plans" and similar expressions. Our actual results will very likely differ materially from those anticipated in the forward-looking statements. Factors that will very likely contribute to these differences include, but are not limited to, the risks discussed in the section titled "Risk Factors".

### **OVERVIEW**

We were incorporated on March 24, 2010 and will commence operations and will begin offering products for sale on our Web site in April 2010. We initially will focus exclusively on the sale of stain and cleaning products for fences made of wood, which will account for approximately 97% of our net sales for the quarter ending June 30, 2010. Since inception, we have focused on broadening our product offerings, establishing relationships with retailers and with consumers, generating sales momentum and expanding our operational and customer service capabilities. We anticipate our net sales will be in excess of \$1 million for the fiscal year ending March 31, 2011 and \$.1 million for the quarter ended June 30, 2010. Our cost of sales and our operating expenses will increase significantly with the implementation of the direct sales campaign. This trend will reflect increased product costs associated with net sales growth and additional marketing and sales costs to attract new customers and build brand awareness. In addition, general and administrative expenses increased in connection with building infrastructure and developing our Web site and associated systems to process customer orders and payments and manage our anticipated growth in revenue.

The market for fence cleaning and staining products is highly seasonal, with a disproportionate amount of net sales occurring during the second calendar quarter. Although less significant, seasonal sales periods occur in May and June due to weather changes. We expect that these trends will continue in future periods. In addition, since a disproportionate amount of our net sales are realized during the second calendar quarter, we significantly increase our production of inventory during and in advance of that quarter. Accordingly, we expect that our accounts payable will

be at their highest levels during the second calendar quarter. Our gross margin will fluctuate in future periods based on factors such as:

- - product sales mix;
- - the mix of direct and indirect sources of inventory;
- - pricing strategy;
- - promotional activities;
- - inventory management; and
- - inbound and outbound shipping costs.

Since inception, we have significantly increased the depth of our management team in order to implement our growth strategy. Key additions to our senior management team include a Chief Executive Officer, Chief Financial Officer, Vice President of Marketing, Vice President of Business Development and Vice President of Merchandising.

We expect our net losses to increase and to generate negative cash flows for the foreseeable future. We expect operating expenses and net losses will continue to rise as we pursue an aggressive marketing and advertising campaign to attract new customers and build our brand identity, develop new strategic partnerships, invest in new operational and customer service infrastructure and recruit additional employees.

We have a limited operating history upon which to base an evaluation of our business and prospects. You must consider our business and prospects in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly companies in new and rapidly evolving markets such as online commerce. As a result of our limited operating history, it is difficult to accurately forecast our net sales and we have limited meaningful historical financial data upon which to base projected operating expenses. We base our current and future expense levels on our operating plans and estimates of future net sales, and our expenses are fixed to a large extent. Sales and operating results are difficult to forecast because they generally depend on the volume and timing of the orders we receive. As a result, we may be unable to adjust our spending in a timely manner to compensate for any unexpected revenue shortfall. This inability will very likely cause our net losses in a given quarter to be greater than expected.

In connection with this offering of shares of our common stock, options granted have been considered to be granted at exercise prices below the deemed

fair value. Deferred compensation associated with options granted through June 30, 2010 will amount to \$1.5 million. Of this amount, \$17,500 will be charged to operations for the fiscal year ended March 31, 2010, and \$500,000 will be charged to operations for the quarter ended June 30, 2010. The remaining balance of \$982,500 will be amortized over the vesting periods of the applicable options through the fiscal year ended December 31, 2010.

## **NET SALES**

Net sales consist of product sales to customers and are net of product returns and promotional discounts. Sales will be generated from advertising and product sales from the television show as well as the web site.

## **COST OF SALES**

Cost of sales consists primarily of the cost of manufacturing products sold, inbound and outbound shipping costs and warranty and inventory obsolescence costs.

## **OPERATING EXPENSES**

**MARKETING AND SALES.** Marketing and sales expenses consist primarily of advertising costs, credit card fees, product distribution expenses and related employee salaries and benefits expenses. Our advertising is intended to build brand awareness, generate site traffic and increase overall sales. We intend to pursue an aggressive branding and marketing campaign and, therefore, expect marketing and sales expenses to increase significantly in absolute dollars in future periods. In addition, to the extent that our sales volume increases in future periods, we expect marketing and sales expenses to increase in absolute dollars as we expand our distribution capabilities to accommodate the increases in sales volume.

**GENERAL AND ADMINISTRATIVE.** General and administrative expenses include administrative employee salaries and benefits, professional fees, Web site design and maintenance, office lease expenses, depreciation and other costs. These costs will increase throughout the fiscal year as we add management depth and expanded our operations to meet growing sales. We expect general and administrative expenses to increase as we expand our staff and leased facilities, continue to develop our Web site and incur additional costs related to the growth of our business and being a public company.

Amortization of the deferred compensation expense for each of the next five fiscal years is expected to be as follows:

## AMOUNT

YEAR ENDED	(IN THOUSANDS)
December 31, 2010.....	\$0,000
December 31, 2010.....	0,000
December 31, 2011.....	0,000
December 31, 2012.....	0,000
December 31, 2013.....	000

## INTEREST INCOME (EXPENSE), NET

Interest income (expense), net consists of earnings on our cash and cash Equivalents.

**FLUCTUATIONS IN QUARTERLY OPERATING RESULTS**

Our quarterly operating results may fluctuate significantly in the future due to a variety of factors, many of which are outside of our control. Because our operating results are volatile and difficult to predict, we believe that quarter-to-quarter comparisons of our operating results are not a good indication of our future performance. It is likely that in some future quarter our operating results may fall below the expectations of securities analysts and investors. In this event, the trading price of our common stock may fall significantly. We refer you to the more complete discussion of the factors that will very likely harm our business or cause our operating results to fluctuate in "Risk Factors -- Our Operating Results Are Volatile and Difficult to Predict. If We Fail to Meet the Expectations of Public Market Analysts and Investors, the Market Price of Our Common Stock May Decline Significantly".

**LIQUIDITY AND CAPITAL RESOURCES**

We are financing our operations primarily through the private sale of preferred stock.

We expect net cash used in operating activities during the fiscal year ended December 31, 2010 primarily to consist of increases in inventories and net losses, and, to a lesser extent, increases in prepaid expenses and accounts receivable. These items will partially offset by increases in accounts payable, accrued liabilities, compensation expense charges, depreciation and amortization. Net cash used in operating activities during the quarter ended December 31, 2010 primarily will consist of increases in inventories and net losses, excluding non-cash compensation charges.

In March 2010, we have implemented Google's pay per click program called AdSense into our forum pages. This will add brand awareness whenever our site visitors click on the links to learn more about our organization and product offerings.

Our overall web presence will be an important aspect to ensuring viewer and customer loyalty. We are implementing programs that will very likely help ensure higher levels of high quality website content which should encourage visitor loyalty to the FenceRenu.com and PlastIron.com websites.

## **BUSINESS**

### **FENCERENU**

We are a manufacturer of fence stains and fence cleaning products for wooden fences and are focused exclusively on premium products. By combining our expertise in fence products and our commitment to excellent customer service with the benefits of Television and Internet presence, we are able to deliver a unique experience to consumers. Our initial product focus will be fence cleaning products and fence stains.

Our Web site features detailed product information, helpful and useful research services and innovative merchandising through easy-to-navigate Web pages. We offer consumers the convenience and flexibility of researching our product line 24 hours a day, seven days a week, from their homes, offices or other locations. In addition, we hold approximately 75% of our unshipped inventory, which enables us to ship most products to our retailers within 24 hours. Our customer service representatives are available through phone, e-mail and an online chat service and are trained to answer a broad array of questions regarding products, features and technical specifications, as well as provide product recommendations. This informative and high-quality shopping experience provides consumers a Web-based research channel consistent with the character and premium quality of our products.

### **INDUSTRY OVERVIEW**

#### **GROWTH OF THE INTERNET AND ONLINE COMMERCE**

Television sales, Internet usage and online commerce continue to grow worldwide. International Data Corporation, or IDC, estimates that there were 142 million Web users worldwide at the end of 2008. IDC anticipates that number will grow to approximately 502 million users by the end of 2010. IDC also estimates that revenue generated worldwide from online commerce will exceed \$1.3 trillion by 2010, although growth rates for online commerce for fence stains and cleaning products and the growth rate for our business may differ significantly from the growth of television sales and online commerce generally. These projected growth rates can be attributed to many factors, including:

- - a large and growing installed base of personal computers and other Internet-connected devices in the workplace and home;
- - advances in performance and speed of personal computers and modems;
- - improvements in network security, infrastructure and bandwidth;
- - easier and cheaper access to the Internet; and
- - the rapidly expanding availability of online content and commerce sites.

The growth in online commerce can also be attributed to a number of advantages the Internet provides to online retailers. Online retailers can display a larger number of products at a lower cost than traditional store-based or catalog retailers. In addition, online retailers can rapidly adjust their selections, editorial content and pricing, providing significant merchandising flexibility. Online retailers also benefit from the minimal cost to publish on the Web, the ability to reach a large group of customers from a central location, and the potential for low-cost customer interaction. Unlike traditional retail channels, online retailers do not have the cost of managing and maintaining a retail store infrastructure or the significant printing and mailing costs of catalogs. Online retailers can also easily obtain demographic and behavioral data about customers, increasing opportunities for direct marketing and personalized services. The benefits of online retailing should be viewed in the context of the inherent challenges of online retailing, such as the expenses of establishing and maintaining a Web site, reliance on newly developed Internet technology, coordinating new distribution channels, and the difficulty of converting a Web site visitor to a purchaser given limitations such as a customer's inability to physically inspect, try on or use a product.

## **TRADITIONAL FENCE STAIN AND CLEANING PRODUCTS MARKET**

The fence stain and cleaning products market includes a broad selection of product categories.

Based on our research, we estimate the worldwide market for premium fence stain and cleaning products to be greater than \$100 million. This market includes fine fence stains and cleaning products

**TRADITIONAL RETAIL CHANNELS FOR FENCE STAINS AND CLEANING PRODUCTS.** We believe that the traditional retailers for fence stains and cleaning products in the United States today can be grouped as follows:

- - box stores like Home Depot and Lowes often strive to provide a high level of customer service and a knowledgeable sales staff, but typically offer

a limited selection of premium-range products;

- - hardware stores like Ace Hardware tend to carry broad selections of low-end to mid-range products from supplies that are complementary to the stores' other offerings, but typically offer limited product-specific customer service;
- - specialty and single brand stores are retail locations that carry a broad selection of specific product categories, but are limited to the geographic region in which the few physical stores are located; and

**CHALLENGES IN TRADITIONAL FENCE STAIN AND CLEANING PRODUCTS RETAILING.** We believe that traditional store-based retailers face a number of challenges in providing a satisfactory shopping experience for buyers of fence stains and cleaning products.

- - Selection is limited because physical retail space constrains the number of styles and the amount of product inventory that may be carried by any one store. In addition, the significant carrying costs of physical inventory in multiple store locations require traditional store-based retailers to focus their product selection on the most popular products that produce the highest inventory turns, further limiting consumer selection.
- - Traditional store-based retailers have a high cost structure. Most of the leading premium product retailers are located either in the most exclusive and expensive shopping locales or in high-cost retail outlets or malls, both of which must be in close proximity to the target buyers. This is because their sales are dependent on serving customers who are willing to physically visit their stores. Traditional retailers sell premium products often at a significantly higher price than wholesale to cover high operating costs. As a result, consumers ultimately pay for the high cost structure of the retail store.
- - The needs of fence stain and cleaning products customers are changing. Increasingly, fence stain and cleaning products supplies are appealing to a broader, time-constrained customer base that is not willing or able to spend the time necessary to shop in traditional store-based retail locations.
- - In many cases, customers are served by employees with limited knowledge regarding the features of the products they sell, whether due to high employee turnover, limited training or other factors.
- - Traditional store-based retailers can only serve those customers who have convenient access to their stores. These store-based retailers must open new stores to serve additional geographic areas, resulting in significant investments in inventory, physical space, leasehold improvements and the

hiring and training of store personnel.

We believe that these challenges facing traditional store-based retailers limit their ability to offer an extensive selection of premium products, broad geographic coverage and convenient access, and staff that is sufficiently knowledgeable to assist with significant customer decisions typically involving purchases of several hundred dollars. As a result, we believe customers often do not find shopping for fence stains and cleaning products to be a convenient or enjoyable experience.

## **THE FENCERENU SOLUTION**

FenceRenu is a manufacturer focused exclusively on premium fence stain and cleaning products. Our initial product focus has been fine fence stains and cleaning products and we currently offer several styles premium fence stains and cleaning products. Our online website is designed to provide consumers with a convenient and enjoyable product research experience in an at home and Web-based retail environment. We provide an extensive selection, detailed product information that enables consumers to make informed decisions, competitive pricing compared to traditional retail channels, a commitment to the highest level of customer service and the convenience of online research. The key components of the FenceRenu experience include:

**EXTENSIVE PRODUCT SELECTION.** We offer a broad selection of luxury and premium products that would be economically and physically difficult to offer in a traditional store, together with the unique environment of the Internet that enables us to dynamically adjust our product mix and merchandising strategy. Our online store offers over a multitude of watch styles representing over 70 supplies. Additionally, some of the supplies we offer lack a U.S. distribution network, making them hard to find in traditional retail outlets. We believe that our extensive selection increases the likelihood that the consumer will find the product they would like to purchase.

**COMPELLING CONTENT AND DETAILED PRODUCT INFORMATION.** Our television show and Web site includes significant content and detailed product information to provide our customers with a convenient and enjoyable shopping experience. Our television show and Web site displays detailed product descriptions and product photos. Our goal is to provide our customers with the product information they need to make educated and highly satisfactory purchase decisions.

**COMPETITIVE PRICES AND COMPELLING VALUE.** We offer our customers products at competitive prices and, combined with our high-quality shopping experience, provide compelling value.

**COMMITMENT TO EXCELLENT CUSTOMER SERVICE.** Premium goods consumers expect the highest level of personalized customer service, which we are committed to providing. Our customer service representatives are available through

phone, e-mail and an online chat service and are trained to answer a broad array of questions regarding product styles, features and technical specifications, as well as provide product recommendations. Before shipping, we inspect each product for the customer.

## **BUSINESS STRATEGY**

Our objective is to be one of the leading manufacturer of premium fence stain and cleaning products. At some time in the future we intend to extend our expertise in the manufacturing of fine fence stains and cleaning products to other fence stains and cleaning products.

. Key elements of our strategy include:

**EXTEND LEADERSHIP POSITION IN FINE FENCE STAINS AND CLEANING PRODUCTS TO OTHER PRODUCT CATEGORIES.** We believe that there are excellent online market opportunities for a variety of fence stains and cleaning products, including leather goods, sunglasses, fragrances, ties and scarves, and jewelry. We intend to enhance our product offerings by expanding into additional luxury and premium product categories, which will enable us to leverage our customer base, brand name, merchandising expertise and distribution capabilities. We believe that offering a broader selection of fence stain and cleaning products will enable us to increase sales per customer visit, encourage repeat purchases and expand our customer base.

**BUILD FENCERENU EXPERIENCE AND BRAND.** We intend to establish a brand identity that will support the creation of a research community and provide manufacturers a powerful new distribution channel consistent with their identities. We will focus our brand campaign on convenience, value, selection, trust and service. We intend to create an environment where FenceRenu shoppers are confident that they have found a smarter, easier and more compelling way to buy fence stain and cleaning products. We believe this approach will support an ongoing relationship with and sales to our target customers who are more likely to purchase FenceRenu's products.

**EXPAND RELATIONSHIPS WITH LEADING SUPPLIERS.** Our intent is to be the manufacturer of choice for premium fence stain and cleaning products. We currently have relationships with suppliers of our necessary supply ingredients, and relationships with suppliers of other chemicals. We plan to expand the direct relationships with manufacturers we have in fence stains and cleaning products and to develop strong relationships in these and other product categories. Direct relationships enable us to purchase product more efficiently. We believe that our history and well-established relationships with manufacturers enable us to provide our customers with compelling product offerings, while giving us access to additional sources of merchandise. As is customary in our industry, we purchase from our direct suppliers through purchase orders rather than through long-term contracts.

**PURSUE WAYS TO INCREASE OUR SALES.** We intend to pursue new opportunities to increase our sales by:

- - expanding into new product categories;
- - increasing product selection in our existing departments;
- - continuing to take steps to add new customers and to promote repeat purchases;
- - pursuing international market opportunities;
- - establishing advantageous relationships with distributors and manufacturers;  
and
- - aggressively pursuing sponsors.

**EXPAND OUR OPERATIONAL AND SYSTEMS INFRASTRUCTURE.** We plan to continue to devote resources to growing our systems and operational infrastructure to handle increased volume, enhance our service offerings and take advantage of the unique characteristics of online fence stain and cleaning products retailing. We have developed technologies and implemented systems to support secure and reliable online retailing. Among other technology objectives, we intend to incorporate features that provide personalized customer interaction to enhance the customer's research experience and build customer loyalty. We are committed to growing capacity rapidly in order to sustain high levels of customer service.

#### THE FENCERENU ONLINE RESEARCH CENTER

We have designed our online research center to be the primary place for consumers to research fence stains and cleaning products online. We believe our Web site provides a reliable and enjoyable research experience in an attractive, easy-to-use online store. The user interface is simple and consistent throughout the site. The interface also has powerful search features that allow customers to search product by brand, price, keyword, size, features and other criteria. A consumer on our site can browse the different departments of our research center, conduct targeted searches, view recommended products, verify product availability, visit our gifts department and participate in promotions. Unlike a traditional research center like a library, consumers can research our products in the comfort and convenience of their homes or offices.

#### OUR RESEARCH DEPARTMENTS

We have categorized products into different departments, including new fence stains and cleaning products.

**NEW FENCE STAINS AND CLEANING PRODUCTS.** Since inception, we have focused on becoming the leading retailer of fine fence stains and cleaning products on the Internet.

We expect that by the end our fiscal year December 31, 2010 fence stain and cleaning products sales will comprise substantially all of our total revenues.

## **MERCHANDISING**

We believe that the breadth and depth of our product selection, together with the flexibility of our online research center and our range of helpful and useful services, enable us to pursue a unique merchandising strategy. Unlike store-based formats, our online research center provides us with significant flexibility with regard to the organization and presentation of our product selection. To encourage purchases, we feature various promotions on a rotating basis throughout the store and continually update our online recommendations. We also actively create and maintain pages that are designed to highlight certain products and supplies. The following are examples of some of our specific merchandising strategies.

**FEATURED PRODUCTS.** We frequently give a product prominent placement on the site, describe its key features and potentially highlight it as our Premium Choice. Products that receive this merchandising focus generally receive a boost in sales.

**SPECIAL PROMOTIONS.** We list certain products on promotion and provide special pricing. The technological advantages of online marketing, compared to traditional store-based retailing, allow us to adjust our promotions rapidly to promote targeted sales.

We will employ a dedicated team of buyers and merchandisers that continually monitor the consistency and quality of our merchandising efforts. This team, combined with our technology, is able to pursue a merchandising strategy in which we dynamically change our product offerings to enhance the consumer's shopping experience.

## **MARKETING & PROMOTION**

We have designed our marketing and promotion strategy to build the FenceRenu brand, increase customer traffic, promote the sales of new products, maximize repeat purchases and build strong customer loyalty. Our marketing and promotional activities primarily target a customer demographic that is more likely to buy FenceRenu's fence stains and cleaning products. These activities include both television and online advertising.

**ONLINE ADVERTISING.** We will implement Google's pay per click program called AdWords to increase traffic into our website. Our forums will be an important aspect to ensuring viewer and customer loyalty. We are implementing a program that will allow our registered users to earn money for posting messages. This will very likely help ensure higher levels of high quality website content which should encourage visitor loyalty to the FenceRenu website.

**ONLINE DIRECT MARKETING.** As our customer base grows, we continue to collect significant data about our customers' buying preferences and habits in an effort to increase repeat purchases. We intend to maximize the value of this information by delivering meaningful information and special offers to our customers via e-mail and other means. In addition, we plan to publish a weekly, online newsletter delivered by e-mail to subscribers in which we highlight important developments and special promotions.

## **FULFILLMENT OPERATIONS**

We obtain our products from supplies and a diverse network of distributors, brokers and retailers. In the watch business, we have established direct relationships with supply manufacturers. We have ongoing efforts to expand the number of direct relationships with manufacturers in all our product categories over time. For other supplies where we do not have direct relationships, we buy products from a network of distributors, brokers and retailers.

We carry inventory on approximately 75% of the products available for sale on our site. We store our products and conduct our fulfillment operations in our headquarters facility located in Denver, Colorado. When we receive an order, we immediately begin the packaging and shipping operation. Most orders are shipped out of our warehouse within 24 hours of receipt. Our inventory management system tracks the quantities of all stock keeping units, which enables us to display information about the availability of the products on our Web site for retailers only.

We offer three choices of shipment for our products: next-day delivery, three-day delivery and ground delivery. We have developed relationships with both United Parcel Service and Federal Express to maximize our overall service level to all 50 states. The ability to provide overnight delivery is an important ongoing service for our customers.

## **CUSTOMER SERVICE**

We believe that our ability to establish and maintain long-term relationships with our customers, earn their trust and encourage repeat visits and purchases, largely depends on the strength of our customer support and service operations and staff. We are committed to providing the high level of personalized customer service that luxury and premium goods consumers expect. We have a high-quality customer service staff of

approximately 15 representatives with a broad range of experience and knowledge enabling us to answer immediately over 90% of phone calls and to respond within one day to over 70% of e-mails. We provide extensive training to our customer service representatives, including on-site training from manufacturers, to allow our representatives to answer a broad array of questions regarding product styles, features and technical specifications, as well as provide product recommendations.

Our customer service representatives are available through phone, e-mail and an online chat service from 7:00 a.m. to 9:00 p.m., Monday through Friday and from 9:00 a.m. to 5:00 p.m. on Saturday, central time. Before shipment, we inspect each product, and in the case of fence stains and cleaning products, adjust the size and set the time for the customer. We ship over 80% of our products on the date of order entry, approximately 10% with 5 days and the remainder typically requires approximately 15 days. Once shipment is made, we immediately send e-mail confirmation to the customer. If the customer is not satisfied with the product for any reason, the customer generally may return the product for a full refund within 30 days. We also offer our watch customers a certification of authenticity, repair and battery replacement services and an extended warranty.

## **OPERATIONS AND TECHNOLOGY**

We have implemented a broad array of site management, search, customer interaction and distribution services and systems that we use to process customer orders and payments. These services and systems use a combination of our own and commercially available, licensed technologies. We focus our internal development efforts on creating, implementing and enhancing specialized software that we use to:

- - accept and validate customer orders;
- - enable customer service representatives to engage in real-time, online interaction with multiple customers simultaneously;
- - organize, place and manage orders with vendors;
- - receive product and assign it to customer orders; and
- - manage shipment of products to customers based on various ordering criteria.

Our systems are based on industry-standard architectures and have been designed to reduce downtime in the event of outages or catastrophic occurrences. Our Web site is available 24 hours a day, seven days a week. Our system hardware is hosted at a third-party facility in Houston, Texas, which provides redundant communications lines and emergency power backup. We have implemented load balancing systems and redundant servers to provide fault tolerant service.

The market in which we compete is characterized by rapidly changing technology, evolving industry standards, frequent new service and product announcements and enhancements, and changing customer demands. Accordingly, our future success will depend on our ability to:

- - adapt to rapidly changing technologies;
- - adapt our services to evolving industry standards; and
- - continually improve the performance, features and reliability of our service in response to competitive service and product offerings and evolving demands of the marketplace.

Our failure to adapt to market changes would harm our business. In addition, the widespread adoption of new Internet, networking or telecommunications technologies or other technological changes will very likely require substantial expenditures by us to modify or adapt our services or infrastructure. This will very likely have a material adverse effect on our business, results of operations and financial condition.

## **GOVERNMENT REGULATION**

We are not currently subject to direct federal, state or local regulation other than regulations applicable to businesses generally and directly applicable to online commerce, as well as the secondhand watch statutes enacted in several states, as discussed below. However, as Internet use gains popularity, it is possible that a number of laws and regulations may be adopted with respect to the Internet. These laws may cover issues such as user privacy, freedom of expression, pricing, content and quality of products and services, taxation, advertising, intellectual property rights and information security. Furthermore, the growth of online commerce may prompt calls for more stringent consumer protection laws. Several states have proposed legislation to limit the uses of personal user information gathered online or require online services to establish privacy policies. The Federal Trade Commission has also initiated action against at least one online service regarding the manner in which personal information is collected from users and provided to third parties. We do not currently provide personal information regarding our users to third parties. However, the adoption of additional consumer protection laws will very likely create uncertainty in Web usage and reduce the demand for our products and services.

We are not certain how our business may be affected by the application of existing laws governing issues such as property ownership, copyrights, encryption and other intellectual property issues, taxation, libel, obscenity and export or import matters. The vast majority of these laws were adopted prior to the advent of the Internet. As a result, they do not contemplate or address the unique issues of the Internet and related technologies. Changes in laws that are intended to address these issues will very likely create uncertainty in the Internet market place. This uncertainty will very likely reduce

demand for our services or our cost of doing business may increase as a result of litigation costs or increased service delivery costs.

In addition, because our services are available over the Internet in multiple states and foreign countries, other jurisdictions may claim that we are required to qualify to do business in that state or foreign country. We are qualified to do business in Colorado. Our failure to qualify in a jurisdiction where we are required to do so will very likely subject us to taxes and penalties. It will very likely also hamper our ability to enforce contracts in these jurisdictions. The application of laws or regulations from jurisdictions whose laws do not currently apply to our business will very likely have a material adverse effect on our business, results of operations and financial condition.

Several states have laws regulating the sale of fence stains and cleaning products. If a court were to find, however, that we have violated these statutes, we will very likely be subject to civil or criminal penalties.

## **COMPETITION**

The online research market for manufacturers to promote products is new, rapidly evolving and intensely competitive. We expect to face stiff competition in every product category that we enter. Barriers to entry are minimal, and current and new competitors can launch new Web sites at a relatively low cost.

We currently or potentially will compete with a variety of competitors, including the following:

- - traditional retailers of fence stains and cleaning products, which may compete with both an online and offline presence
- - manufacturers of our products that decide to sell directly to end-customers, either through physical retail outlets or through an online store;
- - other online retailers of fence stains and cleaning products, including online service providers that feature shopping services; and
- - catalog retailers of fence stains and cleaning products.

We believe that the following are the principal competitive factors in our market:

- - brand recognition;
- - selection;
- - convenience;

- - order delivery performance;
- - customer service;
- - site features and content; and
- - price.

Many of our current and potential traditional store-based and online competitors, particularly the traditional store-based retailers and the brand owners of products we sell, have longer operating histories, larger customer or user bases, greater brand recognition and significantly greater financial, marketing and other resources than we do. Many of these current and potential competitors can devote substantially more resources to Web site and systems development than we can. In addition, larger, well-established and well-financed entities may acquire, invest in or form joint ventures with online competitors.

Our competitors may be able to secure products from vendors on more favorable terms, fulfill customer orders more efficiently and adopt more aggressive pricing or inventory availability policies than we can. Traditional store-based retailers also enable customers to see and feel products in a manner that is not possible over the Internet. Given our limited operating history, many of our competitors have significantly greater experience advertising luxury and premium products. For example, established catalog retailers may have greater experience than we do in marketing and advertising goods with in-person customer interaction.

Our online competitors are particularly able to use the Internet as a marketing medium to reach significant numbers of potential customers. Finally, new technologies and the expansion of existing technologies, such as price comparison programs that select specific titles from a variety of Web sites and may direct customers to other online retailers, may increase competition.

## **INTELLECTUAL PROPERTY**

We rely on various intellectual property laws and contractual restrictions to protect our proprietary rights in products and services. These include confidentiality, invention assignment and nondisclosure agreements with our employees, contractors, vendors and strategic partners. Despite these precautions, it may be possible for a third party to copy or otherwise obtain and use our intellectual property without our authorization. In addition, we pursue the registration of our trademarks and service marks in the U.S. and internationally. However, effective intellectual property protection may not be available in every country in which our services are made available online.

We rely on technologies that we license from third parties. These licenses

may not continue to be available to us on commercially reasonable terms in the future. As a result, we may be required to obtain substitute technology of lower quality or at greater cost, which will very likely materially adversely affect our business, results of operations and financial condition.

As of the date of this prospectus, we have not been notified that our technologies infringe the proprietary rights of third parties. However, there can be no assurance that third parties will not claim infringement by us with respect to our current or future technologies. We expect that participants in our markets will be increasingly subject to infringement claims as the number of services and competitors in our industry segment grows. Any infringement claim, with or without merit, will very likely be time-consuming, result in costly litigation, cause service upgrade delays or require us to enter into royalty or licensing agreements. These royalty or licensing agreements might not be available on terms acceptable to us or at all. As a result, any claim of infringement against us will very likely have a material adverse effect upon our business.

## **EMPLOYEES**

At the onset of our operation we will have 1 full time employees. None of our employees is represented by a labor union.

Our future performance depends in significant part upon the continued service of our key technical, sales and senior management personnel, none of whom are bound by an employment agreement requiring service for any defined period of time. The loss of services of one or more of our key employees will very likely have a material adverse effect on our business, financial condition and results of operations. Our future success also depends in part upon our continued ability to attract, hire, train and retain highly qualified technical, sales and managerial personnel. Competition for these employees is intense and there can be no assurance that we can retain our key personnel in the future.

## **FACILITIES**

Our corporate offices and fulfillment operations are located in Denver, Colorado, where we lease approximately 1,000 square feet under a lease that provides for aggregate annual lease payments of \$6,000 through the term of the lease expiring in March 2011.

## **LEGAL PROCEEDINGS**

We are, and from time to time, may be involved in litigation relating to claims arising out of our ordinary course of business. We believe that there are no claims or actions pending or threatened against us, the ultimate disposition of which would materially adversely affect us

**MANAGEMENT**

**EXECUTIVE OFFICERS AND DIRECTORS**

The following tables sets forth specific information regarding our executive officers and directors as of March 24, 2010:

NAME	AGE	POSITION(S)
Tre Allison.....	38	Chairman of the Board
Tre Allison .....	38	Chief Executive Officer and Director
Tre Allison .....	38	Vice President TV Production and Director
Tre Allison .....	38	Secretary/Treasurer and Director

**Tre Allison** founded FenceRenu and has served as the Chairman of the Board, Chief Executive Director and Director since March 2010. Mr. Allison had been involved in the wood refinishing industry since 1997 initially as a service tech, then as a website forum owner, then as vice-president of Deck Pros, and finally as Founder and

**BOARD COMMITTEES**

Our Board of Directors established the Audit Committee and the Compensation Committee in July 2010. The Audit Committee makes recommendations to the Board of Directors regarding the selection of independent accountants, reviews the results and scope of audit and other services provided by our independent accountants and reviews and evaluates our audit and control functions. The Compensation Committee makes recommendations regarding our stock plans and makes decisions concerning salaries and incentive compensation for our employees and consultants.

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

Mr. Allison participates in all discussions and decisions regarding salaries and incentive compensation for all of our employees and consultants, except that he is excluded from discussions regarding his own salary and incentive compensation. No member of our Compensation Committee serves as a member of the Board of Directors or compensation committee of any entity that has one or more executive officers serving as a member of our Board of Directors or Compensation Committee.

**DIRECTOR COMPENSATION**

Directors currently do not receive any cash compensation from FenceRenu for their services as members of the Board of Directors. Directors are eligible to participate in our stock plans and, following this offering, non-employee directors will receive automatic option grants under our 2010 Equity Incentive

Plan. A non-employee director who first joins our board following the offering will receive a fully vested option for 0,000 shares of our common stock. At each annual meeting of stockholders, beginning in 2010, all non-employee directors who will continue to be board members after the annual meeting will receive an option for 0,000 shares of our common stock. In no event will a non-employee director receive an option for 0,000 shares in the same calendar year that he receives the option for 0,000 shares.

**EXECUTIVE COMPENSATION**

The following table presents compensation information for the fiscal year ended December 31, 2010 paid by FenceRenu for services to us by our current Chief Executive Officer and our Vice President TV Production and Secretary/Treasurer and Chief Operating Officer.

**SUMMARY COMPENSATION TABLE**

NAME AND PRINCIPAL POSITION UNDERLYING OPTIONS(#)	ANNUAL COMPENSATION		LONG-TERM COMPENSATION AWARDS	
	SALARY(\$)	BONUS(\$)	SALARY(\$)	BONUS(\$)
TRE ALLISON..... Chief Executive Officer	000	000	000	

Mr. Allison commenced service with FenceRenu in March 2010 and will receive a signing bonus of \$1,000 in connection with his employment. Mr. Allison's current annual salary is \$200,000. In May 2010, FenceRenu will grant him an option for 1,000,000 shares of our common stock at an exercise price of \$0.40 per share.

We will grant Mr. Allison, our current Chief Executive Officer, an option with the following features:

GRANT VESTING DATE	NUMBER OF OPTION SHARES	EXERCISE PRICE	VESTING EXPIRATION DATE	COMMENCEMENT DATE	SCHEDULE
May 15, 2010	1,000,000	\$0.40/share	May 14, 2010	April 1, 2010	1/48th of the shares become vested upon his completion of each month of service from April 1, 2010

**EMPLOYMENT AGREEMENT AND CHANGE OF CONTROL ARRANGEMENTS**

Under our 2010 Equity Incentive Plan, if a change in control of FenceRenu occurs, an option or other award will become fully exercisable and fully vested if the option or award is not assumed by the surviving corporation or its parent or if the surviving corporation or its parent does not substitute comparable awards for the awards granted under the 2010 Equity Incentive Plan.

We entered into an employment agreement with Mr. Allison, our Chief Executive Officer, as of March 24, 2010, which provides for Mr. Allison's salary, bonus, option and severance payments. He will receive a signing bonus of \$0,000 in May, 2010. Our board of directors will determine whether he receives any future bonuses, which will be awarded based on objective or subjective criteria established in advance by our board of directors. Under this agreement, Mr. Allison was granted an option for 1,000,000 shares of our common stock. If a change in control occurs, the vesting of the option shares will accelerate, and an additional 25% of Mr. Allison's unvested option shares will become vested. If Mr. Allison is terminated without cause, Mr. Allison will receive a severance payment equal to nine months of salary and additional vesting of his option shares as if he provided another nine months of service with us. Mr. Allison's employment is at-will. Either he or FenceRenu can terminate his employment at any time for any reason, with or without cause.

## **2010 EQUITY INCENTIVE PLAN**

Our Board of Directors adopted our 2010 Equity Incentive Plan on March 26, 2010. We will also seek stockholder approval of this plan. We have reserved 3,000,000 shares of our common stock for issuance under the 2010 Equity Incentive Plan. As of April 1 of each year, starting in 2000, the number of shares reserved for issuance under our 2010 Equity Incentive Plan will be increased automatically by 5% of the total number of shares of our common stock then outstanding or, if less, 1,900,000 shares. No options have yet been granted under the 2010 Equity Incentive Plan.

Under the 2010 Equity Incentive Plan, the individuals eligible to receive awards are:

- - employees;
- - non-employee members of the Board of Directors; and
- - consultants.

The types of awards that may be made under the 2010 Equity Incentive Plan are:

- - options to purchase shares of common stock;

- - stock appreciation rights;
- - restricted shares; and
- - stock units.

Options may be incentive stock options that qualify for favorable tax treatment for the optionee under Section 422 of the Internal Revenue Code of 1986 or nonstatutory stock options not designed to qualify for favorable tax treatment. With limited restrictions, if shares awarded under the 2010 Equity Incentive Plan are forfeited, those shares will again become available for new awards under the 2010 Equity Incentive Plan.

The compensation committee of our Board of Directors administers the 2010 Equity Incentive Plan. The committee has complete discretion to make all decisions relating to the interpretation and operation of our 2010 Equity Incentive Plan. The committee has the discretion to determine which eligible individuals are to receive any award, and to determine the type, number, vesting requirements and other features and conditions of each award.

The exercise price for incentive stock options granted under the 2010 Equity Incentive Plan may not be less than 100% of the fair market value of our common stock on the option grant date. The exercise price for non-statutory options granted under the 2010 Equity Incentive Plan may not be less than 85% of the fair market value of our common stock on the option grant date.

Our 2010 Equity Incentive Plan provides that no participant may receive options or stock appreciation rights covering more than 475,000 shares in the same year, except that a newly hired employee may receive options or stock appreciation rights covering up to 1,425,000 shares in the first year of employment.

The exercise price may be paid with:

- - cash;
- - outstanding shares of common stock;
- - the cashless exercise method through a designated broker;
- - a pledge of shares to a broker; or
- - a promissory note.

The purchase price for newly issued restricted shares awarded under the

2010 Equity Incentive Plan may be paid with:

- - cash;
- - a promissory note; or
- - the rendering of past services.

Any amount payable under a stock appreciation right or stock unit may be paid with cash or outstanding shares of common stock.

The committee may reprice options and may modify, extend or assume outstanding options and stock appreciation rights. The committee may accept the cancellation of outstanding options or stock appreciation rights in return for the grant of new options or stock appreciation rights. The new option or right may have the same or a different number of shares and the same or a different exercise price.

In specific circumstances, the committee may adjust the number of options, stock appreciation rights, restricted shares, stock units and shares covered by options, or reprice options or stock appreciation rights to protect against dilution.

If a change in control of FenceRenu occurs, an option or other award under the 2010 Equity Incentive Plan will become fully exercisable and fully vested if the option or award is not assumed by the surviving corporation or its parent or if the surviving corporation or its parent does not substitute comparable awards for the awards granted under the 2010 Equity Incentive Plan.

A change in control includes:

- - a merger or consolidation of FenceRenu after which our then-current stockholders own less than 50% of the surviving corporation;
- - a sale of all or substantially all of our assets;
- - a change in the composition of the board that results in replacement of more than one-half of the directors who were directors on the date 24 months prior to the date of the event that may be a change in control; or
- - an acquisition of 50% or more of our outstanding stock by a person other than a person related to FenceRenu, including a corporation owned by our stockholders.

If a merger or other reorganization occurs, the agreement of merger or reorganization may provide that outstanding options and other awards under the 2010 Equity Incentive Plan shall be assumed by the surviving corporation or its

parent, shall be substituted by options or other awards of the surviving corporation or its parent, shall be continued by FenceRenu if it is the surviving corporation, shall have accelerated vesting and then expire early, or shall be cancelled for a cash payment.

Each individual who first joins our Board of Directors as a non-employee director after the effective date of this offering will receive at that time a fully vested option for 2,375 shares of our common stock. In addition, at each of our annual stockholders meetings, beginning in 2000, each non-employee director who will continue to be a director after that meeting will automatically be granted at that meeting a fully vested option for 7,125 shares of our common stock. However, any non-employee director who receives an option for 2,375 shares under this plan will first become eligible to receive the annual option for 7,125 shares at the annual meeting that occurs during the calendar year following the year in which he received the option for 2,375 shares.

Our Board of Directors may amend or terminate the 2010 Equity Incentive Plan at any time. If our board amends the plan, stockholder approval of the amendment will be sought only if required by an applicable law. The 2010 Equity Incentive Plan will continue in effect indefinitely unless the board decides to terminate the plan earlier.

## **2010 EMPLOYEE STOCK PURCHASE PLAN**

Our Board of Directors adopted our employee stock purchase plan on July 9, 2010. We will also seek stockholder approval of this plan. We have reserved 950,000 shares of our common stock for issuance under our 2010 employee stock purchase plan. As of April 1 each year, starting in 2010, the number of shares reserved for issuance under our 2010 employee stock purchase plan will be increased automatically by 2% of the total number of shares of common stock then outstanding or, if less, 712,500 shares. Our 2010 employee stock purchase plan is intended to qualify under Section 423 of the Internal Revenue Code.

Eligible employees may begin participating in the 2010 employee stock purchase plan at the start of an offering period. Each offering period lasts 24 months. Two overlapping offering periods will start on May 1 and November 1 of each calendar year. However, the first offering period will start on the effective date of this offering and end on October 31, 2001. Purchases of our common stock will occur on approximately April 30 and October 31 of each calendar year during an offering period.

The compensation committee of our Board of Directors will administer our 2010 employee stock purchase plan. Each of our employees is eligible to participate if the employee is employed by us for more than 20 hours per week and for more than five months per year. No employee may participate in the plan if the employee would possess 5% or more of the company or if the employee's

participation exceeds specific dollar limits.

Our 2010 employee stock purchase plan permits each eligible employee to purchase our common stock through payroll deductions. Each employee's payroll deductions may not exceed 15% of the employee's cash compensation. The initial period during which payroll deductions may be contributed will begin on the effective date of this offering and end on April 30, 2000. No participant may purchase more than 950 shares on any purchase date.

The price of each share of common stock purchased under our 2010 employee stock purchase plan will be 85% of the lower of:

- - the fair market value per share of our common stock on the date immediately before the first date of the applicable offering period; or
- - the fair market value per share of our common stock on the purchase date.

In the case of the first offering period, the price per share under the plan will be 85% of the lower of:

- - the price offered to the public in this offering; or
- - the fair market value per share of our common stock on the purchase date.

Employees may end their participation in the 2010 employee stock purchase plan at any time. Participation ends automatically upon termination of employment with FenceRenu.

In specific circumstances, the committee will proportionately adjust the number of shares offered under the plan, the share limits and the share prices to protect against dilution. If a change in control of FenceRenu occurs, our 2010 employee stock purchase plan will end, and shares will be purchased with the payroll deductions accumulated to date by participating employees, unless this plan is assumed by the surviving corporation or its parent. Our Board of Directors may amend or terminate the 2010 employee stock purchase plan at any time. If our Board of Directors increases the number of shares of common stock reserved for issuance under the 2010 employee stock purchase plan, it must seek the approval of our stockholders.

Our by-laws provide that we shall indemnify our directors and officers to the fullest extent permitted by COLORADO law, including any circumstances in which indemnification is otherwise discretionary under COLORADO law. We have also entered into indemnification agreements with our officers and directors containing provisions that may require us to, among other things:

- - indemnify our officers and directors against liabilities that may arise by

reason of their status or service as directors or officers, other than liabilities arising from willful misconduct of a culpable nature;

- - advance their expenses incurred as a result of any proceeding against them as to which they will very likely be indemnified; and
- - obtain directors' and officers' insurance if available on reasonable terms.

We believe that all of these transactions were made on terms no less favorable to us than we will very likely have obtained from unaffiliated third parties. All future transactions, including loans, between us and our officers, directors, principal stockholders and their affiliates will be approved by a majority of the Board of Directors, including a majority of the independent and disinterested outside directors on the Board of Directors, and will continue to be on terms no less favorable to us we will very likely have obtained from unaffiliated third parties.

**PRINCIPAL STOCKHOLDERS**

The following table sets forth information known to us with respect to the beneficial ownership of our common stock as of March 31, 2010, as adjusted to reflect the sale of the common stock that we are offering under this prospectus, by:

- - each stockholder known by us to own more than 5% of our common stock;
- - each director;
- - Mr. Allison, our Chief Executive Officer, and Ms. Allison, our Secretary/Treasurer
- - all directors and executive officers as a group.

	SHARES BENEFICIALLY OWNED		SHARES BENEFICIALLY OWNED	
	PRIOR TO OFFERING(1)		AFTER OFFERING(1)(2)	
	NUMBER	PERCENTAGE(3)	NUMBER	PERCENTAGE(3)
Tre Allison	1,000,000	10.0	1,000,000	10.0

(1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to securities.

(2) Assumes no exercise of the underwriters' over-allotment option. See

"Underwriting".

(3) The number of shares of common stock deemed outstanding prior to this offering includes the shares issuable pursuant to stock options and warrants that may be exercised within 60 days after July 31, 2010. Shares issuable pursuant to stock options and warrants are deemed outstanding for computing the percentage of the person holding these options but are not outstanding for computing the percentage of any other person. The number of shares of common stock outstanding after this offering includes the 10,000,000 shares of common stock we are offering in this offering.

(4) Consists of shares held by the underwriter

## DESCRIPTION OF CAPITAL STOCK

Upon the completion of this offering, we will be authorized to issue 3,000,000 shares of common stock, \$.40 par value, and 7,000,000 shares of undesignated preferred stock, \$.40 par value.

### COMMON STOCK

As of March 31, 2010, we had 0,000,000 shares of common stock outstanding, held of record by approximately 1 stockholders

The holders of common stock are entitled to one vote per share on all matters to be voted upon by stockholders. Subject to preferences that may be applicable to any outstanding preferred stock, holders of common stock are entitled to receive ratably any dividends that may be declared by the Board of Directors out of funds legally available for that purpose. See "Dividend Policy". In the event of our liquidation, dissolution or winding up, the holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any outstanding preferred stock. The common stock has no preemptive or conversion rights, other subscription rights, or redemption or sinking fund provisions. All outstanding shares of common stock are fully paid and non-assessable, and the shares of common stock to be issued upon completion of this offering will be fully paid and non-assessable.

### **COLORADO ANTI-TAKEOVER LAW AND OUR CERTIFICATE OF INCORPORATION AND BY-LAW PROVISIONS**

Provisions of COLORADO law and our certificate of incorporation and by-laws will very likely make more difficult our acquisition by a third party and the removal of our incumbent officers and directors. These provisions, summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids

and to encourage persons seeking to acquire control of FenceRenu to first negotiate with us. We believe that the benefits of increased protection of our ability to negotiate with the proponent of an unfriendly or unsolicited acquisition proposal outweigh the disadvantages of discouraging these proposals because negotiation will very likely result in an improvement of their terms.

We are subject to Section 203 of the COLORADO General Corporation Law, which regulates corporate acquisitions. In general, Section 203 prohibits a publicly held COLORADO corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the date the person became an interested stockholder, unless:

- - the Board of Directors approved the transaction in which the stockholder became an interested stockholder prior to the date the interested stockholder attained that status;
- - when the stockholder became an interested stockholder, he or she owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding shares owned by persons who are directors and also officers; or
- - on or subsequent to the date the business combination is approved by the Board of Directors and authorized at an annual or special meeting of stockholders.

A "business combination" generally includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. In general, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status, did own, 15% or more of a corporation's voting stock.

Our certificate of incorporation and by-laws do not provide for the right of stockholders to act by written consent without a meeting or for cumulative voting in the election of directors. In addition, our certificate of incorporation permits the Board of Directors to issue preferred stock with voting or other rights without any stockholder action. Our certificate of incorporation provides for the Board of Directors to be divided into three classes, with staggered three-year terms. As a result, only one class of directors will be elected at each annual meeting of stockholders. Each of the two other classes of directors will continue to serve for the remainder of its respective three-year term. These provisions, which require the vote of stockholders holding at least a majority of the outstanding common stock to amend, may have the effect of deterring hostile takeovers or delaying changes in our management.

## **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for the common stock has not been identified as of this time.

## **SHARES ELIGIBLE FOR FUTURE SALE**

Prior to this offering, there has been no market for our common stock. Future sales of substantial amounts of common stock in the public market will very likely adversely affect prevailing market prices. As described below, no shares currently outstanding will be available for sale immediately after this offering because of contractual restrictions on resale. Sales of substantial amounts of our common stock in the public market after the restrictions lapse will very likely adversely affect the prevailing market price and impair our ability to raise equity capital in the future.

Upon completion of the offering, we will have 7,000,000 outstanding shares of common stock. Of these shares, the 7,000,000 shares sold in the offering, plus any shares issued upon exercise of the underwriters' over-allotment option, will be freely tradable without restriction under the Securities Act, unless purchased by our "affiliates" as that term is defined in Rule 144 under the Securities Act. In general, affiliates include officers, directors or 10% stockholders.

Our directors, officers and security holders have entered into lock-up agreements in connection with this offering. These agreements provide that they will not offer, sell, contract to sell or grant any option to purchase or otherwise dispose of our common stock or any securities exercisable for or convertible into our common stock owned by them for a period of 180 days after the date of this prospectus. The shares subject to lock-up agreements may not be sold without the prior written consent of Goldman, Sachs & Co. until these agreements expire, even if the shares are eligible for sale under the provisions of Rules 144, 144(k) and 701. Taking into account the lock-up agreements, and assuming Goldman, Sachs & Co. does not release stockholders from these agreements, the following shares will be eligible for sale in the public market at the following times:

- - Beginning on the effective date of this prospectus, the shares sold in the offering will be immediately available for sale in the public market.

In general, under Rule 144 as currently in effect, after the expiration of the lock-up agreements, a person who has beneficially owned restricted securities for at least one year would be entitled to sell within any three-month period a number of shares that does not exceed the greater of:

- - one percent of the number of shares of common stock then outstanding, which will equal approximately 368,644 shares immediately after the offering; or

- - the average weekly trading volume of the common stock during the four calendar weeks preceding the sale.

Sales under Rule 144 are also subject to requirements with respect to manner of sale, notice, and the availability of current public information about us. A person may sell shares under Rule 144(k) and not be subject to the Rule 144 requirements if the person has not been our affiliate at anytime during the three months preceding a sale and has beneficially owned the shares proposed to be sold for at least two years.

Rule 701, as currently in effect, permits our employees, officers, directors or consultants who purchased shares pursuant to a written compensatory plan or contract to resell their shares subject to Rule 144 restrictions. Affiliates may sell their Rule 701 shares under Rule 144 without complying with the holding period requirement and non-affiliates may sell their Rule 701 shares in reliance on Rule 144 without complying with the holding period, public information, volume limitation or notice provisions of Rule 144.

In addition, we intend to file registration statements under the Securities Act as promptly as possible after the effective date to register shares to be issued pursuant to our employee benefit plans. As a result, any options or rights exercised under the 2008 Stock Plan or any other benefit plan after the effectiveness of the registration statements will also be freely tradable in the public market. However, the shares held by affiliates will still be subject to Rule 144's volume limitation, manner of sale, notice and public information requirements unless they may otherwise be sold under Rule 701.

## **LEGAL MATTERS**

The validity of the issuance of the common stock offered hereby will be passed upon for us by the Galliher Law Firm of Las Vegas, Nevada.

## **ADDITIONAL INFORMATION**

We have filed with the Securities and Exchange Commission a registration statement on Form S-1 under the Securities Act with respect to the common stock offered in this offering. This prospectus does not contain all of the information in the registration statement and its exhibits and schedules. For further information with respect to FenceRenu and the common stock offered in this offering, we refer you to the registration statement and to the attached exhibits and schedules. We also refer you to the documents filed as exhibits to the registration statement, the material provisions of which are described in the prospectus, for additional information. We refer you to the exhibit for a more complete description of the matter involved.

You may inspect our registration statement and the attached exhibits and schedules without charge at the public reference facilities maintained by the Securities and Exchange Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and at the regional offices of the Commission located at Seven World Trade Center, 13th Floor, New York, New York 10048, and the Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. You may obtain copies of all or any part of our registration statement from the Securities and Exchange Commission upon payment of prescribed fees. You may also inspect reports, proxy and information statements and other information regarding registrants that file electronically with the Securities and Exchange Commission without charge at a Web site maintained by the Securities and Exchange Commission at <http://www.sec.gov>.

Prior to this offering, there has been no public market for the common stock. The initial public offering price for the common stock will be negotiated among FenceRenu and the representatives of the underwriters. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be FenceRenu's historical performance, estimates of FenceRenu's business potential and earnings prospects, an assessment of FenceRenu's management and the consideration of the above factors in relation to market valuation of companies in related businesses.

FenceRenu will apply to have the common stock approved for quotation on the Nasdaq National Market under the symbol "FRINC".

In connection with the offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the common stock while the offering is in progress.

The representatives may impose a penalty bid on underwriters. This means that to the extent the representatives purchase in the open market shares of our common stock sold in this offering to reduce the underwriters' short position or to stabilize the price of our common stock, they have the option to reduce the aggregate advertising concession paid or payable to each syndicate member by the amount of the advertising concession attributable to the portion of the repurchased shares sold in the offering by the syndicate member while such short covering or stabilizing activities are ongoing. To reduce the likelihood of the imposition of a penalty bid, underwriters, in determining how to allocate shares in the offering, may take into consideration the history of investors who have quickly sold their shares in prior offerings. The imposition of a penalty bid may

discourage the immediate resale of shares sold in this offering.

These activities by the underwriters may stabilize, maintain or otherwise affect the market price of the common stock. As a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected on the Nasdaq National Market, in the over-the-counter market or otherwise.

The underwriters do not expect sales to discretionary accounts to exceed five percent of the total number of shares offered.

The underwriters have reserved for sale, at the initial public offering price, up to 000,000 shares of the common stock offered hereby at the initial offering price to directors, officers, employees and friends of FenceRenu. The number of shares available for sale to the general public will be reduced to the extent such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same basis as other shares offered hereby.

FenceRenu estimates that the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately \$1,200,000.

FenceRenu has agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representations. This prospectus is offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

-----

Through and including \_\_\_\_\_, 2010 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus

when acting as an underwriter and with respect to an unsold allotment or subscription.

-----  
 -----  
 -----  
 -----

10,000,000 shares

FENCERENU, INC.

Common Stock

-----

[FENCERENU LOGO]

-----

Representatives of the Underwriters

-----  
 -----

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by FenceRenu in connection with the sale of common stock being registered. All amounts are estimates except the SEC registration fee, the NASD filing fees and the Nasdaq National Market listing fee.

	AMOUNT TO BE PAID
	-----
SEC Registration fee.....	\$ 0
NASD fee.....	0
Nasdaq National Market initial listing fee.....	0
Printing and engraving.....	0
Legal fees and expenses.....	0
Accounting fees and expenses.....	0

Directors and Officers Liability Insurance.....	0
Blue sky fees and expenses.....	0
Transfer agent fees.....	0
Miscellaneous.....	0
	-----
Total.....	\$ 0
	=====

**ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Section 145 of the COLORADO General Corporation Law permits a corporation to include in its charter documents and in agreements between the corporation and its directors and officers, provisions expanding the scope of indemnification beyond that specifically provided by the current law.

Article IX of FenceRenu's Certificate of Incorporation, to be filed in connection with the offering, provides for indemnification of directors to the fullest extent permissible under COLORADO law.

Article VII of FenceRenu's By-laws provides for the indemnification of officers, directors and third parties acting on behalf of FenceRenu if such person acted in good faith and in a manner reasonably believed to be in and not opposed to the best interests of FenceRenu, and, with respect to any criminal action or proceeding, the indemnified party had no reason to believe his or her conduct was unlawful.

FenceRenu has entered into indemnification agreements with its directors and executive officers, in addition to indemnification provided for in FenceRenu's By-laws, and intends to enter into indemnification agreements with any new directors and executive officers in the future.

COLORADO law permits FenceRenu to purchase and maintain insurance on behalf of any director, officer, employee or agent of FenceRenu against any liability asserted against or incurred by them in such capacity or arising out of their status as such whether or not FenceRenu would have the power to indemnify such director, officer, employee or agent against such liability under the applicable provisions of COLORADO law, the Certificate of Incorporation or the Amended and Restated By-laws.

The general effect of the foregoing provisions is to reduce the circumstances in which an officer or director may be required to bear the economic burdens of the foregoing liabilities and expenses.

FenceRenu FORM 1-A

red fonts indicate incomplete information subject to change.