

ADVANTAGE MARKETING SYSTEMS INC/OK
Form PRE 14A
July 02, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant [X]
Filed by a Party other than the Registrant []

Check the appropriate box:

- [X] Preliminary Proxy Statement [] Confidential, for Use of the Commission
Only (as permitted by Rule
14a-6(e) (2))
- [] Definitive Proxy Statement [] Definitive Additional Materials
- [] Soliciting Material Pursuant to Rule 14a-12

ADVANTAGE MARKETING SYSTEMS, INC.
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
 [] Fee computed on table below per Exchange Act Rules 14a-6(i) (1) and 0-11.

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

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

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

ADVANTAGE MARKETING SYSTEMS, INC.

711 NE 39th Street
Oklahoma City, Oklahoma 73105
Telephone: (405) 842-0131

NOTICE OF ANNUAL MEETING

TO OUR SHAREHOLDERS:

Our Annual Meeting of Shareholders will be held at the Marriott Hotel at 3233 Northwest Expressway in Oklahoma City, Oklahoma, on August 20, 2004 commencing at 5:00 P.M. Central Daylight-Savings Time, and thereafter as it may be adjourned from time to time, for the following purposes:

1. To elect three directors to hold office until the 2007 annual meeting of shareholders and until their successors shall have been duly elected and qualified;
2. To consider and approve the name change of the Company from Advantage Marketing Systems, Inc. to AMS Health Sciences, Inc.;
3. To consider and act upon a proposal to ratify the appointment of Grant Thornton LLP as our independent auditor for 2004; and
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

Holders of record of common stock at the close of business on June 21, 2004, are entitled to notice of and to vote at the meeting or any adjournment thereof, notwithstanding transfer of any stock on our books after such record date. The accompanying proxy statement contains information regarding the matters to be considered at the Annual Meeting. Copies of this notice and the accompanying proxy statement were first mailed to shareholders on or about July 15, 2004. For reasons set forth in the attached proxy statement, the Board of Directors recommends a vote "FOR" the matters being voted upon.

Your attendance or proxy is important to assure a quorum at the Annual Meeting. Shareholders who do not expect to attend the Annual Meeting in person are requested to complete and return the enclosed Proxy, using the envelope provided, which requires no postage if mailed from within the United States. Any person giving a proxy has the power to revoke it at any time prior to its exercise and, if present at the Annual Meeting, may withdraw it and vote in person. Attendance at the Annual Meeting is limited to shareholders, their proxies and our invited guests. All shareholders are cordially invited to attend the Annual Meeting.

BY ORDER OF THE BOARD OF DIRECTORS:

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REGGIE B. COOK
Reggie B. Cook, Corporate Secretary

Oklahoma City, Oklahoma
July 15, 2004

PROXY STATEMENT

Advantage Marketing Systems, Inc.
711 NE 39th Street
Oklahoma City, Oklahoma 73105
(405) 842-0131

ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON AUGUST 20, 2004

SOLICITATION AND REVOCATION OF PROXIES

We at Advantage Marketing Systems, Inc. are furnishing this proxy statement in connection with the Annual Meeting of the holders of our common stock to be held at 5:00 P.M., Central Daylight-Savings Time, on August 20, 2004, at the Marriott Hotel at 3233 Northwest Expressway in Oklahoma City, Oklahoma, and any adjournment thereof. This proxy statement and the accompanying Notice of Annual Meeting of Shareholders and Proxy were first mailed on or about July 15, 2004, to our shareholders of record on June 21, 2004.

If the accompanying proxy is properly executed and returned, the shares of common stock represented by the proxy will be voted at the Annual Meeting. If you indicate in your proxy a choice with respect to any matter to be acted upon, your shares will be voted in accordance with your choice. If no choice is indicated, your shares will be voted "FOR" the election of the nominees for director listed below, the approval of the Company name change and the ratification of our appointment of Grant Thornton LLP as our independent auditors for 2004. Our shareholders will also consider and vote upon such other business as may properly come before the Annual Meeting or any adjournment thereof. Our Board of Directors knows of no business that will be presented for consideration at the Annual Meeting, other than matters described in this proxy statement. You may revoke your proxy by giving written notice of your revocation to our Secretary at any time before your proxy is voted, by executing another valid proxy bearing a later date and delivering the new proxy to our Secretary prior to or at the Annual Meeting, or by attending the Annual Meeting and voting in person.

Neither the corporate laws of the State of Oklahoma, the state in which we are currently incorporated, nor our Certificate of Incorporation or Bylaws have any provisions regarding the treatment of abstentions and broker non-votes. Our policy is (i) to count abstentions or broker non-votes for purposes of determining the presence of a quorum at the Annual Meeting, (ii) to treat abstentions and broker non-votes as votes not cast but to treat them as shares represented at the Annual Meeting for determining results on actions requiring a majority vote, and (iii) to consider neither abstentions nor broker non-votes in determining results of plurality votes.

The expenses of this proxy solicitation, including the cost of preparing and mailing this proxy statement and accompanying proxy will be borne by us. Such expenses will also include the charges and expenses of banks, brokerage firms and other custodians, nominees or fiduciaries for forwarding solicitation material regarding the Annual Meeting to beneficial owners of our common stock. Solicitation of proxies may be made by mail, telephone, personal interviews or by other means by members of our Board of Directors or our employees who will not be additionally compensated therefore, but who may be reimbursed for their

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out-of-pocket expenses in connection therewith.

SHAREHOLDERS ENTITLED TO VOTE

Shareholders entitled to vote at the Annual Meeting are the holders of record, at the close of business on June 21, 2004, our record date, of the 6,848,960 shares of common stock then outstanding. Each holder of a share of common stock outstanding on the record date will be entitled to one vote for each share held on each matter presented at the Annual Meeting. Our officers and directors own a total of 1,431,921 shares, or 20.9 percent of the issued and outstanding common stock, and intend to vote all of these shares in favor of the matters to be voted upon at the Annual Meeting. There is no cumulative voting with respect to the election of directors. The presence in person or by proxy of the holders of a majority of the shares of common stock issued and outstanding at the Annual Meeting will constitute a quorum for the transaction of business. All matters to be brought before the Annual Meeting will require the affirmative vote of a majority of the shares of common stock present at the Annual Meeting in person and by proxy and entitled to vote. Votes will be tabulated by an inspector of election appointed by our Board of Directors.

THIS PROXY STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF THESE TRANSACTIONS NOR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS PROXY STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

PROPOSAL 1

ELECTION OF DIRECTORS

Our Bylaws provide that our Board of Directors shall consist of not less than one nor more than fifteen directors, as determined from time to time by resolution of our Board of Directors. The number of directors is currently fixed at seven (7) directors. In general, the directors are divided into three classes. Class I Directors hold office for a term expiring at the annual meeting of shareholders to be held in 2006, Class II Directors hold office for a term expiring at the annual meeting of shareholders to be held in 2004, and Class III Directors hold office for a term expiring at the annual meeting of shareholders to be held in 2005. Each director holds office for the term to which he is elected or until his successor is duly elected and qualified. Messrs. Dickey and Cook are serving as Class I Directors under a term expiring in 2006. Messrs. Hail, Buxton and D'Arcangelo are serving as Class II Directors under a term expiring in 2004 and Messrs. Stonecipher and Hague are serving as Class III Directors under a term expiring in 2005. At each of our annual shareholders meetings, the successor to a director whose term expires at such meeting will be elected to hold office for a term expiring at the annual shareholders meeting held in the third year following the year of his election.

Our Board of Directors has nominated John W. Hail, M. Thomas Buxton III and David J. D'Arcangelo for re-election as directors for a term ending in 2007 or until their successors shall have been duly elected and qualified. The persons named as proxies in the accompanying proxy, who have been designated by our Board of Directors, intend to vote unless otherwise instructed in the proxy, for the election of Messrs. Hail, Buxton and D'Arcangelo. Should any nominee named herein become unable for any reason to stand for election as a director, the persons named in the proxy will vote for the election of such other person as our Board of Directors may recommend. We know of no reason why any nominee will be unavailable or unable to serve.

The affirmative vote of the holders of a majority of our common stock

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present, in person or by proxy at the Annual Meeting and entitled to vote, is required for the election of a director. An abstention from voting and broker non-votes will be tabulated as a vote withheld on the election, but will be included in computing the number of shares present for purposes of determining the presence of a quorum for the Annual Meeting and whether a nominee has received the vote of a majority of the shares present at the Annual Meeting.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE RE-ELECTION OF JOHN W. HAIL, M. THOMAS BUXTON III AND DAVID J. D'ARCANGELO TO THE BOARD OF DIRECTORS. PROXIES SOLICITED BY OUR BOARD OF DIRECTORS WILL BE SO VOTED UNLESS SHAREHOLDERS SPECIFY A CONTRARY CHOICE.

Information About Each Director and Director Nominee of Advantage Marketing Systems, Inc.

Name ----	Age ---	Position with Us -----
John W. Hail		