

ID ARIZONA CORP.
Form S-4/A
July 15, 2009

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As filed with the Securities and Exchange Commission on July 15, 2009

Registration Statement No. 333-158336

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Amendment No. 1 to**

**Form S-4
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933**

ID Arizona Corp.
(Exact Name of Registrant as Specified in Its Charter)

Arizona
*(State or Other Jurisdiction of
Incorporation or Organization)*

7311
*(Primary Standard Industrial
Classification Code Number)*

26-4540870
*I.R.S. Employee
Identification Number*

**1105 N. Market Street, Suite 1300
Wilmington, Delaware 19801
(310) 694-8150**
*(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive
Offices)*

**Robert N. Fried
President and Chief Executive Officer
1105 N. Market Street, Suite 1300
Wilmington, Delaware 19801
(310) 694-8150**
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after
(i) this Registration Statement becomes effective, (ii) all other conditions to the merger of Ideation Acquisition Corp.,

a Delaware corporation, into the Registrant, with the Registrant surviving and, following such merger, the conversion and continuation of the Registrant into SearchMedia Holdings Limited, a Cayman Islands exempted company, and (iii) all other conditions to the share exchange between SearchMedia Holdings Limited and the shareholders of SearchMedia International Limited, a limited liability company incorporated in the Cayman Islands, pursuant to the Agreement and Plan of Merger, Conversion and Share Exchange as amended, which is attached as Annex A-1 and A-2 to the Proxy Statement/Prospectus contained herein, have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please 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, 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. ☐

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

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
(Do not check if a smaller reporting company)

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 which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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**IDEATION ACQUISITION CORP.
1105 N. Market Street, Suite 1300
Wilmington, Delaware 19801
(310) 694-8150**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD , 2009**

TO THE STOCKHOLDERS OF IDEATION ACQUISITION CORP.:

NOTICE IS HEREBY GIVEN that a special meeting of Ideation Acquisition Corp., a Delaware corporation, which we refer to as Ideation, relating to the proposed business combination with SearchMedia International Limited, an exempted company incorporated with limited liability in the Cayman Islands, which we refer to as SM Cayman or SearchMedia, and its subsidiaries, will be held at Eastern standard time on , 2009, at , to consider and vote upon certain proposals described below.

On March 31, 2009, an Agreement and Plan of Merger, Conversion and Share Exchange, which we refer to as the share exchange agreement, was entered into by and among Ideation, ID Arizona Corp., an Arizona corporation and wholly owned subsidiary of Ideation, which we refer to as ID Arizona, SM Cayman, the subsidiaries of SM Cayman, and Shanghai Jingli Advertising Co., Ltd., which we refer to as Jingli Shanghai, and together with SM Cayman and its subsidiaries, the SearchMedia entities or SM entities, and certain shareholders and warrant holders of SM Cayman, among others. The share exchange agreement provides for two primary transactions: (1) the redomestication of Ideation from a Delaware corporation to a Cayman Islands exempted company and (2) the business combination between ID Cayman and SM Cayman, after which SM Cayman will become a wholly owned subsidiary of ID Cayman. At the special meeting, Ideation stockholders will be asked to vote on the following proposals relating to these transactions:

Proposal 1. To approve the corporate redomestication of Ideation that will result in holders of Ideation securities holding securities in a Cayman Islands exempted company rather than a Delaware corporation. The redomestication involves two steps:

First, Ideation will merge with and into ID Arizona, with ID Arizona surviving the merger.

Second, after the merger, ID Arizona will become a Cayman Islands exempted company, SearchMedia Holdings Limited, which we refer to as ID Cayman, pursuant to a conversion and continuation procedure under Arizona and Cayman Islands law.

The redomestication will change Ideation's domicile from Delaware to the Cayman Islands. We refer to the merger and the conversion and continuation transactions together as the redomestication. We refer to this proposal as the Redomestication Proposal. The redomestication will take place only if the Business Combination Proposal (as defined below) is approved.

Proposal 2. To approve the business combination between ID Cayman and SM Cayman, pursuant to which:

SM Cayman shareholders will receive 6,865,339 ordinary shares of ID Cayman.

SM Cayman warrant holders will receive warrants to purchase 1,519,186 ordinary shares of ID Cayman.

SM Cayman option holders will receive options to purchase 702,013 ordinary shares of ID Cayman.

SM Cayman holders of restricted shares and restricted share units, which we refer to collectively as restricted share awards, will receive 261,179 restricted share awards of ID Cayman.

Certain SM Cayman noteholders will receive 1,712,874 ordinary shares of ID Cayman or, in certain circumstances described in the share exchange agreement, 1,712,874 Series A preferred shares of ID Cayman and warrants to purchase 428,219 ordinary shares of ID Cayman.

In addition, the shareholders and warrant holders of SM Cayman may receive an additional 10,150,352 ordinary shares of ID Cayman pursuant to an earn-out provision in the share exchange agreement. On the closing of the business combination, SM Cayman will be the wholly owned subsidiary of ID Cayman. We

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refer to this transaction as the business combination. We refer to this proposal as the Business Combination Proposal. The vote to approve the Business Combination Proposal will take place only if the Redomestication Proposal is approved.

Proposal 3. To approve the authorization in ID Cayman's Memorandum of Association of 1,000,000,000 ordinary shares, as compared to 50,000,000 shares of common stock currently authorized in Ideation's amended and restated certificate of incorporation, dated November 21, 2007, which we refer to as Ideation's Certificate of Incorporation, and 10,000,000 preferred shares, as compared to 1,000,000 shares of preferred stock currently authorized under Ideation's Certificate of Incorporation. We refer to this proposal as the Share Increase Proposal.

Proposal 4. To approve in ID Cayman's Articles of Association the elimination of the classified board currently authorized in Ideation's Certificate of Incorporation. We refer to this proposal as the Declassification Proposal.

Proposal 5. To approve in ID Cayman's Articles of Association a provision providing that the amendment of either of ID Cayman's Memorandum of Association or Articles of Association will require a vote of two-thirds of its shareholders voting in person or by proxy at a meeting, as compared to the vote of a majority of the outstanding stock as set forth in Ideation's Certificate of Incorporation. We refer to this proposal as the Amendment Proposal.

Proposal 6. To approve in ID Cayman's Memorandum of Association the designation of Series A preferred shares with preferences and rights as set forth in ID Cayman's Memorandum of Association or Articles of Association. We refer to this proposal as the Preferred Designation Proposal.

Proposal 7. To approve in ID Cayman's Articles of Association a provision providing that the ID Cayman shareholders may pass resolutions without holding a meeting only if such resolutions are passed by a unanimous written resolution signed by all of the shareholders entitled to vote, as opposed to the provisions in Ideation's Certificate of Incorporation that provide that stockholders may take action without a meeting if written consent to the action is signed by the holders of outstanding stock having the minimum number of votes necessary to authorize or take the action at a meeting of the stockholders. We refer to this proposal as the Shareholder Consent Proposal.

Proposal 8. To approve in ID Cayman's Memorandum of Association a provision providing for the perpetual existence of the company, as compared to a provision providing for the termination of the company's existence on November 19, 2009 as set forth in Ideation's Certificate of Incorporation. We refer to this proposal as the Corporate Existence Proposal.

Proposal 9. To approve the assumption of the SearchMedia International Limited 2008 Share Incentive Plan and its amendment and restatement as the Amended and Restated SearchMedia Holdings Limited Share Incentive Plan (the Amended and Restated 2008 Share Incentive Plan). We refer to this proposal as the Share Incentive Plan Proposal.

Proposal 10. To approve an adjournment or postponement of the special meeting for the purpose of soliciting additional proxies. We refer to this proposal as the Adjournment Proposal.

The Ideation board of directors has fixed the record date as the close of business on _____, 2009, as the date for determining Ideation stockholders entitled to receive notice of and to vote at the special meeting and an adjournment or postponement thereof. Only holders of record of Ideation's common stock on that date are entitled to have their votes counted at the special meeting or an adjournment or postponement thereof with respect to the above proposals. The business combination will be consummated only if (1) the Business Combination Proposal is approved by a majority of the shares of common stock issued in connection with Ideation's initial public offering, which we refer to as the IPO Shares, voted at a duly held stockholders meeting in person or by proxy, (2) the Business Combination Proposal is approved by a majority of the votes cast on the proposal, and (3) fewer than 30% of the stockholders

owning IPO Shares vote against the business combination and exercise their conversion rights to have their shares of common stock converted to cash.

Your vote is important. Please sign, date and return your proxy card as soon as possible to make sure that your shares are represented at the special meeting. If you are a stockholder of record, you may also cast your vote in person at the special meeting. If your shares are held in an account at a brokerage firm or bank, you

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must instruct your broker or bank how to vote your shares, or you may cast your vote in person at the special meeting by obtaining a proxy from your brokerage firm or bank.

After careful consideration, the Ideation board of directors has unanimously determined that the above proposals are fair to and in the best interests of Ideation and its stockholders and has recommended that you vote or give instruction to vote **FOR** the approval of each of them.

By Order of the Board of Directors,

Robert N. Fried
Chief Executive Officer

Dated: , 2009

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The information in this proxy statement/prospectus is not complete and may be changed. We may not issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**PRELIMINARY PROXY STATEMENT/PROSPECTUS
SUBJECT TO COMPLETION, DATED JULY 15, 2009**

**PROXY STATEMENT FOR SPECIAL MEETING OF
STOCKHOLDERS OF IDEATION ACQUISITION CORP.**

PROSPECTUS OF ID ARIZONA CORP.

This document serves as a proxy statement containing information about a special meeting of the Ideation stockholders relating to its proposed business combination with SearchMedia, and as a prospectus of ID Arizona with respect to securities to be issued to Ideation stockholders as part of that business combination. This proxy statement/prospectus is dated _____, 2009 and is first being mailed to Ideation stockholders on or about that date.

On March 31, 2009, Ideation, ID Arizona, SM Cayman, Jingli Shanghai and certain other parties, including shareholders and warrant holders of SM Cayman, entered into a share exchange agreement. The share exchange agreement provides for two primary transactions: (1) the redomestication of Ideation from a Delaware corporation to a Cayman Islands exempted company and (2) the business combination between ID Cayman and SM Cayman, after which SM Cayman will become a wholly owned subsidiary of ID Cayman.

The redomestication of Ideation involves two steps:

- (i) Ideation will merge with and into ID Arizona, with ID Arizona surviving the merger. We refer to this transaction as the Arizona merger.
- (ii) Immediately after the Arizona merger, ID Arizona will become a Cayman Islands exempted company, ID Cayman, pursuant to a conversion and continuation procedure under Arizona and Cayman Islands law. We refer to this transaction as the conversion and continuation and, along with the Arizona merger, as the redomestication.

The redomestication will change Ideation's domicile from Delaware to the Cayman Islands. Also, as a result of the redomestication:

Holders of Ideation units will be issued one ID Arizona unit for each Ideation unit held at the time of the Arizona merger, which, upon the conversion and continuation of ID Arizona to the Cayman Islands, will result in such holders holding one ID Cayman unit for each ID Arizona unit held at the time of the conversion.

Holders of Ideation common stock will be issued one share of ID Arizona common stock for each share of Ideation common stock held at the time of the Arizona merger, which, upon the conversion and continuation of ID Arizona to the Cayman Islands, will result in such holders holding one ID Cayman ordinary share for each share of ID Arizona common stock held at the time of the conversion.

Holders of Ideation warrants will be issued one ID Arizona warrant for each Ideation warrant held at the time of the Arizona merger, which, upon the conversion and continuation of ID Arizona to the Cayman Islands, will result in such holders holding one ID Cayman warrant for each ID Arizona warrant held at the time of the conversion.

Holders of the Ideation option to purchase 500,000 units, consisting of 500,000 shares of common stock and 500,000 warrants, will be issued one ID Arizona option to purchase 500,000 units, consisting of 500,000 shares of common stock and 500,000 warrants, which, upon the conversion and continuation of ID Arizona to the Cayman Islands, will result in such holders holding one ID Cayman option to purchase 500,000 units, consisting of 500,000 ordinary shares and 500,000 warrants of ID Cayman.

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This proxy statement/prospectus covers the following ID Arizona securities that will be issued to Ideation stockholders in the Arizona merger:

An aggregate of 12,500,000 ordinary shares issued to the holders of (a) the 10,000,000 shares of Ideation common stock issued as part of the units issued in Ideation's IPO and (b) the 2,500,000 shares of Ideation common stock issued to the founders of Ideation upon its incorporation.

An aggregate of 12,400,000 warrants issued to the holders of (a) the 10,000,000 warrants issued by Ideation as part of the units issued in Ideation's IPO and (b) the 2,400,000 warrants issued by Ideation in a private placement transaction that occurred simultaneously with its IPO. This proxy statement/prospectus also covers 12,400,000 ordinary shares issuable upon the exercise of those warrants. A portion of the Ideation common stock and warrants may be held as units consisting of one share of common stock and one warrant, which units are also covered by this proxy statement/prospectus.

An option to purchase 500,000 units, consisting of 500,000 ordinary shares and 500,000 warrants, and the ordinary shares issuable upon exercise of the option to purchase the units (500,000 ordinary shares) and the exercise of the warrants in those units (500,000 ordinary shares), issuable to the representatives of the underwriters of Ideation's IPO, which hold identical options from Ideation.

As soon as practicable after the redomestication, ID Cayman will file with the Securities and Exchange Commission a post-effective amendment to the registration statement of which this proxy statement/prospectus forms a part, expressly adopting the registration statement as its own for all purposes of the Securities Act of 1933 and the Securities Exchange Act of 1934, each as amended, including the registration of ID Cayman securities, which will then be held by former Ideation stockholders as a result of the redomestication.

After completing the redomestication, ID Cayman will complete the business combination with the SM Cayman shareholders, in which:

After giving effect to conversion of the preferred shares of SM Cayman, at closing, ID Cayman will acquire 101,652,366 ordinary shares of SM Cayman, representing 100% of SM Cayman shares issued and outstanding.

SM Cayman shareholders will receive 6,865,339 ordinary shares of ID Cayman.

SM Cayman warrant holders will receive warrants to purchase 1,519,186 ordinary shares of ID Cayman.

SM Cayman option holders will receive options to purchase 702,013 ordinary shares of ID Cayman.

SM Cayman holders of restricted shares and restricted share units, which we refer to collectively as restricted share awards, will receive 261,179 restricted share awards of ID Cayman.

Certain SM Cayman noteholders will receive 1,712,874 ordinary shares of ID Cayman or, in certain circumstances described in the share exchange agreement, 1,712,874 Series A preferred shares of ID Cayman and warrants to purchase 428,219 ordinary shares of ID Cayman.

On the closing of the business combination, SM Cayman will be a wholly owned subsidiary of ID Cayman.

No ID Cayman securities to be issued in the business combination with SM Cayman are covered by this proxy statement/prospectus. All of the securities to be outstanding upon completion of the redomestication and the business

combination will be securities of ID Cayman.

Ideation's units, common stock and warrants trade on the NYSE Amex LLC, formerly known as the American Stock Exchange, under the symbols IDI.U , IDI and IDI.WS , respectively. Ideation intends to reapply to the NYSE Amex in order for the ordinary shares, warrants and units of ID Cayman to maintain their listing on the NYSE Amex following the redomestication. It is unclear whether ID Cayman will meet the requirements for continued listing.

YOU SHOULD CAREFULLY CONSIDER THE RISK FACTORS BEGINNING ON PAGE 33.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

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The information in this proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy those securities in any state where the offer or sale is not permitted.

This proxy statement/prospectus is dated , 2009 and is first being mailed to Ideation stockholders on or about that date.

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