

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

FORM 10-Q

(MARK ONE)

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED: OCTOBER 31, 2008

TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 333-68008

EFOODSAFETY.COM, INC.

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

Nevada

(State or other jurisdiction of incorporation or organization)

62-1772151

(IRS Employer Identification No.)

7702 E. DOUBLETREE RANCH ROAD, SUITE 300, SCOTTSDALE, ARIZONA 85258

(Address of principal executive offices)

(480) 607-2606

(Issuer's telephone number)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of December 10, 2008, the issuer had 191,668,330 shares of its common stock issued and outstanding.

PART 1 - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EFOODSAFETY.COM, INC. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	<u>October 31,</u> <u>2008</u>	<u>April 30,</u> <u>2008</u>
	<u>(Unaudited)</u>	
ASSETS		
Current Assets		
Cash	\$ 1,213,456	\$ 1,513,541
Accounts Receivable	407,529	376,495
Inventory	162,737	242,901
Prepaid expenses	985,567	1,489,267
Shareholders Advances	-	-
Loan receivable	<u>117,375</u>	<u>113,125</u>
Total Current Assets	2,886,664	3,735,329
Fixed Assets – net	19,643	23,188
Intangible Assets	863,169	863,403
Non-Current Assets		
Prepaid Expense	2,598,763	2,994,294
Loan Receivable	<u>-</u>	<u>-</u>
Total Assets	\$ 6,368,239	\$ 7,616,214
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable	\$ 50,963	\$ 143,723
Accrued expenses	27,744	29,335
Deferred Revenue	<u>1,875</u>	<u>7,500</u>
Total Current Liabilities	80,582	118,806
Long-Term Liabilities		
Notes payable	-	-
Convertible debentures	-	-
Accrued interest	-	-
Total long-term liabilities	<u>-</u>	<u>-</u>
Total Liabilities	80,582	180,558
Stockholders' Equity:		
Common Stock, Authorized 500,000,000 Shares, \$0.0001 Par Value, 191,668,330 and 192,818,330 and Shares Issued and Outstanding respectively	19,167	19,192
Preferred Stock, Authorized 10,000,000 shares, \$0.0001 Par Value, 10,000 shares Issued and Outstanding respectively	1	1
Paid-In Capital	30,675,564	30,866,539
Comprehensive income (loss)	-	-
Retained Deficit	<u>(24,407,075)</u>	<u>(23,450,076)</u>
Total Stockholders' Equity	<u>6,287,657</u>	<u>4,286,247</u>
Total Liabilities and Stockholders' Equity	\$ <u>6,369,239</u>	\$ <u>7,616,214</u>

The accompanying notes are an integral part of these consolidated financial statements .

EFOODSAFETY.COM, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Three Months Ended		For the Six Months Ended	
	October 31,		October 31,	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	(Unaudited)		(Unaudited)	
Revenues	\$ 197,813	\$ 327,878	\$ 449,656	\$ 649,352
Cost of Sales	<u>82,513</u>	<u>62,766</u>	<u>135,196</u>	<u>156,233</u>
Gross Profit	115,300	265,112	314,460	493,119
Expenses				
Sales and marketing	85,150	8,673	111,410	97,032
Research and development	1,174	370,761	10,898	392,269
Consulting	303,079	604,054	855,894	1,484,910
Legal settlements	-	-	-	-
General and administrative	152,375	124,865	305,256	267,130
Total Expenses	<u>541,778</u>	<u>1,108,353</u>	<u>1,283,458</u>	<u>2,241,341</u>
Net (loss) from operations	(426,478)	(843,241)	(968,998)	(1,748,222)
Other Income (Expense)				
Interest income	8,026	3,374	12,349	7,373
Dividend income	137	2,429	271	7,008
Gain/Loss on sale of marketable securities	-	(49,514)	-	(49,514)
Interest Expense	(58)	(455)	(621)	(886)
Total Other Income (Expense)	<u>8,105</u>	<u>(44,166)</u>	<u>11,999</u>	<u>(36,019)</u>
Net Income (Loss)	<u>\$ (418,373)</u>	<u>\$ (887,407)</u>	<u>\$ (956,999)</u>	<u>\$ (1,784,241)</u>
Income (Loss) per common share				
Net Income (Loss)	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>
Weighted Average Shares	<u>191,819,960</u>	<u>163,897,787</u>	<u>191,947,406</u>	<u>163,496,966</u>

The accompanying notes are an integral part of these consolidated financial statements.

EFOODSAFETY.COM, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Six Months ended
October 31,

	<u>2008</u>	<u>2007</u>
	(Unaudited)	(Unaudited)
Cash Flows from Operating Activities:		
Net Loss	\$ (956,999)	\$ (1,784,241)
Adjustments used to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	4,559	2,101
Common stock issued for expenses/assets	715,766	260,490
(Increase) in comprehensive loss	-	(46,078)
(Increase) in Accounts Receivable	(31,034)	(73,976)
(Increase) in Inventory	80,164	(94,860)
(Increase) Decrease in Prepaid Expenses & Deposits	(7,535)	988,469
(Increase) Decrease in Loans Receivable	(4,250)	-
Increase (Decrease) in Accounts Payable	(92,760)	(25,029)
Increase (Decrease) in Accrued Expenses	(1,591)	12,407
Increase (Decrease) in Deferred Revenue	(5,625)	-
Net Cash Used in operating activities	(299,305)	(760,717)
Cash Flows from Investing Activities:		
Purchase of fixed assets	(780)	(31,195)
(Increase) in marketable securities	-	(91,800)
Proceeds from sale of marketable securities	-	-
Net cash provided by investing activities	(780)	(122,995)
Cash Flows from Financing Activities:		
Proceeds from sale of stock	-	369,500
Proceeds from loans	-	-
Payments on shareholder loans	-	39,963
Net Cash Provided by Financing Activities	-	409,463
Net (Decrease) Increase in Cash and Cash Equivalents	(300,085)	(474,249)
Cash and Cash Equivalents at Beginning of Period	1,513,541	1,109,109
Cash and Cash Equivalents at End of Period	\$ 1,213,456	\$ 634,860

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid during the year for:

Interest	\$ 621	\$ -
Franchise and income taxes	\$ -	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

EFOODSAFETY.COM, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 2008 AND 2007

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of accounting policies for eFoodSafety.com, Inc. & Subsidiaries is presented to assist in understanding the Company's consolidated financial statements. The accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the consolidated financial statements.

Interim Financial Statements

The unaudited consolidated financial statements for the three months ended October 31, 2008 reflect, in the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to fairly state the financial position and results of operations for the six months ended October 31, 2008 and 2007. Operating results for interim periods are not necessarily indicative of the results which can be expected for full years.

Organization and Basis of Presentation

The Company was incorporated in Nevada on October 28, 1996 as DJH International, Inc. to market products through the Internet. On October 16, 2000, the Company entered into an agreement and plan of reorganization with Global Procurement Systems, Inc. ("GPS") whereby the Company acquired GPS. This business combination was accounted for as a reverse merger with GPS being the surviving entity for financial reporting purposes. As a result of the acquisition, the Company issued 37,620,000 shares of common stock in exchange for the outstanding shares of GPS and changed its name to eFoodSafety.com, Inc.

On October 29, 2003, the Company issued 1,500,000 restricted shares of common stock to acquire Ozone Safe Food, Inc. As of October 29, 2003, Ozone Safe Food, Inc. was a wholly-owned subsidiary of the Company. On August 24, 2005, the Company sold Ozone Safe Food, Inc.

In May 2004, the Company issued 1,000,000 restricted shares of common stock to acquire Knock-Out Technologies, Ltd. ("Knock-Out") as a wholly-owned subsidiary of the Company. Knock-Out is the developer of a variety of products based on a proprietary blend of organic, non-toxic and food-based substances.

On August 31, 2005, the Company issued 10,000,000 restricted shares of common stock to acquire MedElite, Inc. as a wholly-owned subsidiary of the Company. MedElite owns and distributes clinically proven products to physicians who then prescribe the products for their patients. It is the owner of the Talsyn(TM) product line.

In November 2006, the Company formed Cinnergen, Inc., which owns and manufactures Cinnergen(TM), a non-prescription liquid whole food nutritional supplement that promotes healthy glucose metabolism.

In November 2006, the Company formed PurEffect, Inc. for its PurEffect(TM) 4-step anti-acne formula.

In July 2007, the Company formed I-Boost, Inc. which owns and manufactures the Immune Boost Bar(TM), a food bar designed to improve the immune system.

In March 2008 the company formed Cinnechol, Inc. a wholly owned subsidiary which manufactures a product called "Cinnechol 120 count capsules" which is a dietary supplement.

Nature of Business

The Company was organized as a vehicle to provide methods and products to ensure the safety of fruits and vegetables being marketed worldwide. With the sale of Ozone Safe Food, Inc. the Company changed direction to become a company dedicated to improving food and health conditions around the world through its innovative technologies. The Company's Knock-Out Technologies, Ltd. subsidiary has developed an environmentally safe sporicidal product formulated entirely of food-grade components that eradicates anthrax and a germicidal product, Big 6 Plus - EPA Reg. No 82723-1 that kills six major bacteria: E-coli, Listeria, Pseudomonas, Salmonella, Staphylococcus, and Streptococcus, Avian Influenza and Black Mold. The sporicidal product has completed its final efficacy laboratory study requisite for EPA registration. The Company's MedElite, Inc. subsidiary distributes clinically proven products to physicians who then prescribe the products for their patients. It is the exclusive U.S. and worldwide distributor of the Talsyn(TM)-CI/bid Scar Cream that has been clinically proven to facilitate and improve the appearance, redness and strength of scars. The Company manufactures Cinnergen(TM), a non-prescription liquid whole food nutritional supplement that promotes healthy glucose metabolism and is the owner of PurEffect(TM), a 4-step anti-acne formula.

The company now also manufactures and sells Cinnechol 120 count capsule, which is a nutritional supplement in a pill form.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

Pervasiveness of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Business Condition

These accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. As of October 31, 2008, the Company has operating losses of \$956,999 for the period. The continuation of the Company is dependent upon the continuing financial support of directors and stockholders as well as becoming profitable.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

7

Principles of Consolidation

The consolidated financial statements include the accounts of eFoodSafety.com, Inc. and its subsidiaries, Knock-Out Technologies, Ltd., MedElite, Inc Cinnergen, Inc , I Boost Inc. and Cinnechol Inc. Knock-Out Technologies, Ltd. was acquired by the Company in May 2004. MedElite, Inc. was acquired by the Company on August 31, 2005. Cinnergen, Inc. was formed as a wholly owned subsidiary on November 27, 2006. I Boost formed as a wholly owned subsidiary July 2007 and Cinnechol was formed as a subsidiary in March 2008.

All significant intercompany balances and transactions have been eliminated.

Revenue Recognition

The Company reports revenues on a net basis. Revenues are from net gross sales of Cinnergen predominately, as well as Medelite and I-Boost and Cinnerhol.

Concentration of Risk

For the six months ended October 31, 2008, approximately 84% of the revenues were from the sale of Cinnergen. The loss of this product would have an adverse effect on the Company's operations.

Few Customers

For the period ended sales of Cinnergen which account for approximately 84% of the revenues, were sold to customers, of which four amounted to 70% of the sales.

Depreciation

Office furniture and equipment are stated at cost. Depreciation and amortization are computed using the straight-line method over the estimated economic useful lives of the related assets as follows:

Furniture & Fixtures 5-10 years Equipment 5- 7 years Computers 3- 5 years Web Site Hardware 3-5 years

Maintenance and repairs are charged to operations; betterments are capitalized. The cost of property sold or otherwise disposed of and the accumulated depreciation thereon were eliminated from the property and related accumulated depreciation accounts, and any resulting gain or loss is credited or charged to income.

Total depreciation expense for the period ended October 31, 2008 and 2007 was \$4,325 and \$1,867.

Earnings (Loss) per Share

Basic loss per share has been computed by dividing the loss for the year applicable to the common stockholders by the weighted average number of common shares outstanding during the years. There were no common equivalent shares outstanding at October 31, 2008 and 2007.

Concentration of Credit Risk

The Company has no significant off-balance-sheet concentrations of credit risk such as foreign exchange contracts, options contracts or other foreign hedging arrangements. The Company maintains the majority of its cash balances with one financial institution, in the form of demand deposits.

8

NOTE 2 - INCOME TAXES

As of April 30, 2008, the Company had a net operating loss carryforward for income tax reporting purposes of approximately \$22,000,000 that may be offset against future taxable income through 2025 Current tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Therefore, the amount available to offset future taxable income may be limited. No tax benefit has been reported in the financial statements, because the Company believes there is a 50% or greater chance the

carryforwards will expire unused. Accordingly, the potential tax benefits of the loss carryforwards are offset by a valuation allowance of the same amount.

NOTE 3 – ACCOUNTS RECEIVABLE

The company recognizes a receivable predominately on sales of its Cinnergen. The company’s has established a allowance for uncollectible accounts during the six months ended October 31, 2008 based on anticipated returns amounting to \$100,000.

NOTE 4- INVENTORY

The Company values its inventory, finished and raw material costs of the Cinnergen, Med Elite, I Boost and Cinnerhol products under the fifo method , valued at lower of cost or market. Of the total inventory Cinnergen represents 47.0% Med Elite 3.6% I Boost 18.7% and Cinnerhol 30.7% of the total amount of inventory of \$162,737, \$112,339 represented finished product or 64.01%.

NOTE 5-LOAN RECEIVABLE

On August 7, 2006, the Company loaned Diamond Ranch Foods, Ltd. \$100,000. Per the terms of the loan agreement, the loan carries an interest rate of 7.5% per annum is has a maturity date of December 31, 2008. At the maturity date, the Company can elect to either convert the outstanding principal and interest due to restricted stock of Diamond Ranch Foods, Ltd. at a fixed price of \$.10 per share, or have Diamond Ranch Foods, Ltd. make monthly payments of \$5,000 per month for twenty months and issue the Company 200,000 restricted shares of stock to satisfy the interest amount. Interest accrued at October 31, 2008 was \$17,375..

NOTE 6-PREPAID EXPENSES

Of the total amount of prepaid expenses, \$3,521,721 represents unexpired fees for shares for services pursuant to agreements lasting between one and five years.

NOTE 7-FIXED ASSETS-NET

At October 31, 2008 fixed assets consisted of the following.

	October 31, 2008
Office Equipment and Computers	51,365
Less accumulated depreciation	<u>(31,722)</u>
Net	<u>19,643</u>

NOTE 8- COMMON STOCK TRANSACTIONS

During the six months ended October 31, 2008, the Company issued 1,150,000 shares of stock for services equal to \$89,000 and recinded 1,400,000 shares of stock valued at \$280,000. All issuances were valued at the market price of the stock on issuance. For the six months ended October 31, 2008 the company expensed \$906,766 of shares issued pursuant to agreements resulting in a six month stock for services total number of \$715,766.

NOTE 9 - RENT AND LEASE EXPENSE

In August 2005, MedElite, Inc., a subsidiary of the Company, entered into a lease agreement for office space at 668 Woodbourne Road, Suite 109, Middletown, Pennsylvania. The lease expires on October 31, 2009. The lease payments are \$650 per month. The Company’s four other leases total \$900 per month and expire on November 30, 2008.

The minimum future lease payments under these leases are:

Year Ended April 30,	Real Property
2009	\$ 7,500
2010	3,900
2011	<u>-</u>
Total minimum lease payments	<u>\$ 11,400</u>

The lease generally provides that insurance, maintenance and tax expenses are obligations of the Company. It is expected that in the normal course of business, leases that expire will be renewed or replaced by leases on other properties.

NOTE 10-INTANGIBLE ASSETS

The Company has adopted the Financial Accounting Standards Board SFAS No., 142, "Goodwill and Other Intangible Assets." SFAS 142 requires, among other things, that companies no longer amortize goodwill, but instead test goodwill for impairment at least annually. In addition, SFAS 142 requires that the Company identify reporting units for the purposes of assessing potential future impairments of goodwill, reassess the useful lives of other existing recognized intangible assets, and cease amortization of intangible assets with an indefinite useful life. An intangible asset with an indefinite useful life should be tested for impairment in accordance with the guidance in SFAS 142.

Intangible Assets consisted of the following at October 31:

Intangible Asset	October 31, 2008	Useful Life
Trademark	\$ 7,000	15 Years
Product Rights	857,025	Indefinite
Less accumulated amortization	<u>(856)</u>	
Total	\$ 863,169	

On December 20, 2006, the Company acquired U.S. Trademark Reg. No. 2,434,013 for the mark "Immune Boost". The Company has determined that the trademark has a useful life of fifteen years and is being amortized over that useful life.

On November 22, 2006, the Company, through its wholly-owned subsidiary Cinnergen, Inc. acquired the product rights of Cinnergen from NutraLab, Inc. In exchange for the product rights, the Company paid \$100,000 and issued 1,000,000 shares of common stock valued at \$170,000 to NutraLab, Inc. As part of the purchase agreement, the Company also assumed liabilities of NutraLab, Inc. of \$955,826 that was offset by liabilities of the Company of \$63,801 that was due to NutraLab, Inc. The Company also agreed to make additional payments totaling \$175,000 to NutraLab, Inc. The total purchase price of the product rights was \$1,337,025. The Company then negotiated the payables that it assumed, resulting in a reduction of the liabilities of \$480,000. The aforementioned product rights were subsequently reduced representing the forgiveness of debt, to \$857,025. The Company has determined that the product rights have an indefinite useful life.

The estimated amortization of the trademark for the next five years is as follows:

2009	\$ 467
2010	467
2011	467
2012	467
2013	<u>467</u>
Total	\$ 2,335

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION AND RISK FACTORS

Certain statements in this quarterly report constitute "forward-looking statements." Forward-looking statements deal with our current plans, objectives, projections, expectations, assumptions, strategies, and future events. Words such as "may," "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," "should," "could," and variations of such words and similar expressions are intended to identify such forward-looking statements. Similarly, statements that describe our plans, our strengths and weaknesses and other information that is not historical information also are forward-looking statements.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements, expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, impact the ability of the Company to implement its business strategy, and changes in, or failure to comply with, governmental regulations affecting health and nutraceutical products.

In addition to the other information contained in this report, the following risk factors, among others, that make investment in shares of the Company's common stock speculative and risky should be carefully considered.

DEPENDENCE ON KEY PERSONNEL. The success of the Company is largely dependent upon the continued contributions of its key management personnel. The success of the Company also depends upon its ability to attract and retain additional qualified personnel. The process of locating personnel with the combination of skills and attributes required to implement our strategies is very competitive and there can be no assurance that we will be successful in attracting and retaining such personnel, particularly in view of our poor financial position. The loss of the services of our key management personnel or the inability to attract and retain additional qualified personnel could limit or disrupt our future business operations.

NO DIVIDENDS EXPECTED. We have not paid any cash or other dividends on our common shares since inception and we do not expect to pay any dividends in the future. We expect to use any earnings in our operations.

INTENSE COMPETITION IN THE HEALTH INDUSTRIES. There is intense competition among providers, both individuals and entities, of various technologies to improve health conditions. Many of these competitors have substantially greater financial and marketing resources than the Company, stronger name recognition, brand loyalty and long-standing relationships with our target customers. Our future success is dependent upon our ability to compete and our failure to do so could adversely affect our business, financial condition and results of operation.

LIMITED OR SPORADIC MARKET QUOTATIONS; POSSIBLE ILLIQUIDITY; PENNY STOCK RESTRICTIONS. Shares of our common stock are quoted and traded from time to time on the OTC Bulletin Board and in the so-called "Pink Sheets," but the quotations and trading activity are limited and sporadic. As a result, our shareholders may find it difficult to obtain accurate quotations concerning the market price of their shares. Our shareholders also may experience more difficulty in attempting to sell their shares than if the shares were listed on a national stock exchange or quoted on the NASDAQ Stock Market. Also, our common shares are classified as a "penny stock" because they are not traded on a national stock exchange or on the NASDAQ Stock Market and the market price is less than \$5 per share. Rules of the Securities and Exchange Commission impose additional sales practice requirements on broker-dealers that recommend the purchase or sale of penny stocks to persons other than those who qualify as an "established customer" or an "accredited investor." Among other things, a broker-dealer must make a determination that investments in penny stocks are suitable for the customer and must make special disclosures to the customer concerning the risks of penny stocks. Application of the Penny Stock Rules to our common shares could adversely affect the market liquidity of the shares, which in turn may adversely affect the ability of shareholders to sell their share.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE THREE AND SIX MONTHS ENDED OCTOBER 31, 2008 AND 2007

SALES

Our revenues from operations for the three months ended October 31, 2008 were \$197,813. Our revenues from operations for the three months ended October 31, 2007 were \$327,878. Our sales decreased as we have been unable to increase our customer base. Our cost of sales was \$82,513 in 2008 compared to \$ 62,766 in 2007.

For the six months ended October 31, 2008 sales were \$449,656 compared to \$649,352 and cost of sales were \$135,196 compared to \$156,233.

RESEARCH AND DEVELOPMENT

During the three months ended October 31, 2008, we incurred research and development expenses of \$1,174 compared with \$370,761 in the prior year. Most of these expenses were from our two wholly-owned subsidiaries, Knock-Out Technologies, Inc. and MedElite, Inc. Our research and development decreased as we have mostly concluded our testing.

For the six months ended October 31, 2008 \$10,898 was incurred compared to \$392,269.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

A summary of our Selling, General and Administrative costs is as follows:

During the three months ended October 31, 2008, the Company incurred sales and marketing expenses of \$85,150 compared to sales and marketing expenses of \$8,673 during the three months ended October 31, 2007 as we began marketing our product more aggressively. Six months figures reflected a slight increase to \$111,410 versus \$97,032 as we had more operating entities.

Cash and stock compensation were paid for consulting fees for outside directors, legal advisors and marketing consultants. The Company incurred \$303,079 in consulting fees in 2008 compared to \$604,054 in 2007.

For the six months \$855,894 was incurred compares to \$1,484,910. Stock for services amounted to \$715,766 of the total of \$855,894.

General and administrative expenses increased to \$152,375 from \$124,865 for the three months and was \$305,256 versus \$267,130 for the prior year.

LIQUIDITY AND CAPITAL RESOURCES

As of October 31, 2008, we had working capital of \$2,806,082. As a result of our operating losses during the three months ended October 31, 2008, we generated a cash flow deficit of \$299,305 from operating activities.

By adjusting the Company's operations and development to the level of capitalization, management believes it has sufficient capital resources to meet projected cash flow deficits through the next twelve months. However, if thereafter we are not successful in generating sufficient liquidity from operations or in raising sufficient capital resources on terms acceptable to us, this could have a material adverse effect on our business, results of operations, liquidity and financial condition.

Our independent certified public accountants have stated in their report which is included as part of our audited financial statements for the fiscal years ended April 30, 2008 and 2007, that we have suffered recurring losses from operations, and this matter raise substantial doubt about our ability to continue as a going concern.

We have no off-balance sheet arrangements, special purpose entities, financing partnerships or guarantees.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK RISKS RELATED TO OUR BUSINESS

We Have Historically Lost Money and Losses May Continue in the Future

We have historically lost money. The loss for the fiscal year April 30, 2008 was \$ 3,791,966 and future losses are likely to occur. Accordingly, we may experience significant liquidity and cash flow problems if we are not able to raise additional capital as needed and on acceptable terms. No assurances can be given we will be successful in reaching or maintaining profitable operations.

We Will Need to Raise Additional Capital to Finance Operations

Our operations have relied almost entirely on external financing to fund our operations. Such financing has historically come from a combination of borrowings and from the sale of common stock and assets to third parties. We will need to raise additional capital to fund our anticipated operating expenses and future expansion. Among other things, external financing will be required to cover our operating costs. We cannot assure you that financing whether from external sources or related parties will be available if needed or on favorable terms. The sale of our common stock to raise capital may cause dilution to our existing shareholders. Our inability to obtain adequate financing will result in the need to curtail business operations. Any of these events would be materially harmful to our business and may result in a lower stock price.

There is Substantial Doubt About Our Ability to Continue as a Going Concern Due to Recurring Losses and Working Capital Shortages, Which Means that We May Not Be Able to Continue Operations Unless We Obtain Additional Funding

The report of our independent accountants on our April 30, 2008 financial statements include an explanatory paragraph indicating that there is substantial doubt about our ability to continue as a going concern due to recurring losses and working capital shortages. Our ability to continue as a going concern will be determined by our ability to obtain additional funding. Our financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Our Common Stock May Be Affected By Limited Trading Volume and May Fluctuate Significantly

There has been a limited public market for our common stock and there can be no assurance that an active trading market for our common stock will develop. As a result, this could adversely affect our shareholders' ability to sell our common stock in short time periods, or possibly at all. Our common stock has experienced, and is likely to experience in the future, significant price and volume fluctuations that could adversely affect the market price of our common stock without regard to our operating performance. In addition, we believe that factors such as quarterly fluctuations in our financial results and changes in the overall economy or the condition of the financial markets could cause the price of our common stock to fluctuate substantially. Substantial fluctuations in our stock price could significantly reduce the price of our stock.

There is no Assurance of Continued Public Trading Market and Being a Low Priced Security may Affect the Market Value of Our Stock

To date, there has been only a limited public market for our common stock. Our common stock is currently quoted on the OTCBB. As a result, an investor may find it difficult to dispose of, or to obtain accurate quotations as to the market value of our stock. Our stock is subject to the low-priced security or so called "penny stock" rules that impose additional sales practice requirements on broker-dealers who

sell such securities. The Securities Enforcement and Penny Stock Reform Act of 1990 requires additional disclosure in connection with any trades involving a stock defined as a penny stock (generally, according to recent regulations adopted by the SEC, any equity security that has a market price of less than \$5.00 per share, subject to certain exceptions that we no longer meet). For example, brokers/dealers selling such securities must, prior to effecting the transaction, provide their customers with a document that discloses the risks of investing in such securities. Included in this document are the following:

- the bid and offer price quotes in and for the "penny stock," and the number of shares to which the quoted prices apply,
- the brokerage firm's compensation for the trade, and
- the compensation received by the brokerage firm's sales person for the trade.

In addition, the brokerage firm must send the investor:

- a monthly account statement that gives an estimate of the value of each "penny stock" in the investor's account, and
- a written statement of the investor's financial situation and investment goals.

If the person purchasing the securities is someone other than an accredited investor or an established customer of the broker/dealer, the broker/dealer must also approve the potential customer's account by obtaining information concerning the customer's financial situation, investment experience and investment objectives. The broker/dealer must also make a determination whether the transaction is suitable for the customer and whether the customer has sufficient knowledge and experience in financial matters to be reasonably expected to be capable of evaluating the risk of transactions in such securities. Accordingly, the Commission's rules may limit the number of potential purchasers of the shares of our common stock.

Resale restrictions on transferring "penny stocks" are sometimes imposed by some states, which may make transaction in our stock more difficult and may reduce the value of the investment. Various state securities laws pose restrictions on transferring "penny stocks" and as a result, investors in our common stock may have the ability to sell their shares of our common stock impaired.

There can be no assurance we will have market makers in our stock. If the number of market makers in our stock should decline, the liquidity of our common stock could be impaired, not only in the number of shares of common stock which could be bought and sold, but also through possible delays in the timing of transactions, and lower prices for the common stock than might otherwise prevail. Furthermore, the lack of market makers could result in persons being unable to buy or sell shares of the common stock on any secondary market.

We Could Fail to Retain or Attract Key Personnel

Our future success depends in significant part on the continued services of Patricia Ross-Gruben, our Chief Executive Officer. We cannot assure you we would be able to find an appropriate replacement for key personnel. Any loss or interruption of our key personnel's services could adversely affect our ability to develop our business plan. We have no employment agreements or life insurance on Ms. Ross-Gruben.

Nevada Law and Our Charter May Inhibit a Takeover of Our Company That Stockholders May Consider Favorable

Provisions of Nevada law, such as its business combination statute, may have the effect of delaying, deferring or preventing a change in control of our company. As a result, these provisions could limit the price some investors might be willing to pay in the future for shares of our common stock.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are designed to be effective in providing reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission (the "SEC"), and that such information is accumulated and communicated to our management to allow timely decisions regarding required disclosure.

In designing and evaluating disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute assurance of achieving the desired objectives. Also, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. The design of any system of controls is based, in part, upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, management concluded that our disclosure controls and procedures are effective as of October 31, 2008 to cause the information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods prescribed by SEC, and that such information is accumulated and communicated to management, including our chief executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Item 4(T). CONTROLS AND PROCEDURES

Evaluation of and Report on Internal Control over Financial Reporting

The management of eFoodSafety.com, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, the company's principal executive and principal financial officers and effected by the company's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Management assessed the effectiveness of the Company's internal control over financial reporting as of October 31, 2008. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework.

Based on its assessment, management concluded that, as of October 31, 2008, the Company's internal control over financial reporting is effective based on those criteria.

This quarterly report does not include an attestation report of the Company's registered accounting firm regarding internal control over financial reporting. Management's report is not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission.

Changes in Internal Control over Financial Reporting

There was no change in our internal controls over financial reporting identified in connection with the requisite evaluation that occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Neither the Company, including its subsidiaries, nor any of its property is the subject of pending legal proceeding.

ITEM 1A. RISK FACTORS

This item is not applicable as we are currently considered a smaller reporting company.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

The Company issued the following securities without registration under the Securities Act of 1933 in reliance upon the exemption afforded by Section 4(2) of that Act, based upon the limited number of persons who acquired the securities in each issuance; no underwriters were involved:

During the six months ended October 31, 2008, the Company issued 1,150,000 shares of stock for services equal to \$89,000 and recinded 1,400,000 shares of stock valued at \$280,000. All issuances were valued at the market price of the stock on issuance. For the six months ended October 31, 2008 the company expensed \$906,766 of shares issued pursuant to agreements resulting in a six month stock for

services total number of \$715,766.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES. None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS. None.

ITEM 5. OTHER INFORMATION. None.

ITEM 6. EXHIBITS.

Exhibits Required by Item 601 of Regulation S-B

<u>Exhibit No.</u>	<u>Description</u>	<u>Location</u>
3.1	Articles of Incorporation	Incorporated by reference from the Company's Registration Statement on Form SB-2 (File No. 333-68008), as amended February 4, 2003).
3.2	Corporate Bylaws	Incorporated by reference from the Company's Registration Statement on Form SB-2 (File No. 333-68008), as amended February 4, 2003).
31.1	Certification of Patricia Gruden , Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act	Filed herewith
32.1	Certification of Patricia Gruden , Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act	Filed herewith

17

SIGNATURES

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

EFOODSAFETY.COM, INC.

By: /s/ Patricia Gruden
Patricia Gruden, Director, President and Chief Executive Officer
(On behalf of the Registrant and as Principal Financial Officer)

Date: December 12, 2008

18

EXHIBIT 31.1

SECTION 302 CERTIFICATION

I, Patricia Ross-Gruden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of eFoodSafety.com, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

- a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b. Designed such disclosure control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c. Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small issuer's board of directors (or persons performing the equivalent functions):

- a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
- b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting

Date: December 12, 2008

By: /s/Patricia Ross-Gruden
Patricia Ross-Gruden, Chief Executive Officer and Principal
Financial Officer

EXHIBIT 32.1

SECTION 906 CERTIFICATION

In connection with the Quarterly Report of eFoodSafety.com, Inc. on Form 10-Q for the period ending October 31, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Patricia Ross-Gruden, Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

By: /s/Patricia Ross-Gruden
Patricia Ross-Gruden, Chief Executive Officer and
Principal Financial Officer

Date: December 12, 2008
