CKX LANDS, INC.
Form 4
February 03, 2014

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Ottley Properties, LLC

(Last) (First) (Middle)

337 METAIRIE ROAD, SUITE 202

(Street)

METAIRIE, LA 70005

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
CKX LANDS, INC. [ckx]

3. Date of Earliest Transaction (Month/Day/Year)
01/31/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director
__X__ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
_X_ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
common stock	01/31/2014		P		300	A	$ 14.5	298,991	D (1)	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Ottley Properties, LLC 337 METAIRIE ROAD SUITE 202 METAIRIE, LA 70005	X	X		
WHITE MICHAEL B 337 METAIRIE ROAD SUITE 202 METAIRIE, LA 70005	X	X		

Signatures

\s\ Michael B. White as sole manager of Ottley Properties, LLC	02/03/2014
**Signature of Reporting Person	Date
\s\ Michael B. White	02/03/2014
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Shares are held directly by Ottley Properties, LLC. Michael B. White, as the sole manager of Ottley Properties, LLC, may be deemed to have an indirect interest in the shares, but disclaims such interest except of his pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. Common Stock05/19/200805/22/2008S 247 D $ 78.52 289,418 D Common Stock05/19/200805/22/2008S 93 D $ 78.53 289,325 D Common Stock05/19/200805/22/2008S 46 D $ 78.54 289,279 D Common Stock05/19/200805/22/2008S 186 D $ 78.58 289,093 D Common Stock05/19/200805/22/2008S 46 D $ 78.6 289,047 D

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SEC 1474 (9-02)

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				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WILLIAMS STEVEN R C/O PETROLEUM DEVELOPMENT CORPORATION 120 GENESIS BOULEVARD BRIDGEPORT, WV 26330	X		CEO and Chairman	

Signatures

/s/ Steven R. Williams	05/21/2008
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Remarks:
Page 5 of 14

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. align="bottom" width="4%">

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Item 15.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This fiscal 2010 Annual Report on Form 10-K, including the sections entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business,” contains “forward-looking statements” that include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation and availability of resources. These forward-looking statements include, without limitation, statements regarding: proposed new products or services; our statements concerning litigation or other matters; statements concerning projections, predictions, expectations, estimates or forecasts for our business, financial and operating results and future economic performance; statements of management’s goals and objectives; trends affecting our financial condition, results of operations or future prospects; our financing plans or growth strategies; and other similar expressions concerning matters that are not historical facts. Words such as “may,” “will,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes” and “estimates,” and simil expressions, as well as statements in future tense, identify forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, that performance or those results will be achieved. Forward-looking statements are based on information available at the time they are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause these differences include, but are not limited to:

- our inability to raise additional funds to support operations and capital expenditures;
- our inability to achieve greater and broader market acceptance of our products and services in existing and new market segments;
- our inability to successfully compete against existing and future competitors;
- our inability to manage and maintain the growth of our business;
- our inability to protect our intellectual property rights; and
- other factors discussed under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business."

Forward-looking statements speak only as of the date they are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Item 1. Description of Business

(a) Background

We were incorporated in Delaware on October 31, 2006. From the date we were incorporated until March 1, 2007, we were a wholly owned subsidiary of Dematco, Inc., formerly Advanced Media Training Inc., a Delaware corporation (hereinafter "Dematco"). On December 10, 2006, our then parent Dematco acquired all the remaining outstanding shares of Dematco Ltd., and elected a new slate of directors and appointed new corporate officers. Concurrent with the acquisition, the new management of Dematco decided to change its business from the production and distribution of workforce training videos to that of its just acquired company Dematco, Ltd., and to as soon as feasible cease all business activity related to the video training business. The business of Dematco, Ltd. is the dematerializing or converting of financial instruments from paper form to electronic form so as to enable such instruments to be traded in a secure manner electronically on exchanges or exchange platforms on a peer to peer basis. (see COMPANY HISTORY page 11)

(b) Description of Business

Progressive Training's core business is the development, production and distribution of management and general workforce training videos for use by businesses throughout the world. In addition to distributing videos produced by us, we market and distribute training videos financed and produced by other producers. During fiscal 2010, the sale of third party videos accounted for approximately 30% of our total gross revenues.

WORKFORCE TRAINING VIDEO PRODUCTION

Among the videos produced by us are:

THE CUBAN MISSILE CRISIS: A CASE STUDY IN DECISION MAKING AND ITS CONSEQUENCES. This video is based on the decision making process of President Kennedy and his Cabinet during the Cuban missile crisis,

OWN IT (i.e., "own" your job) and focuses on four main themes: Caring About What You Do, Going Above And Beyond, Being A Team Player, and Being Proud Of What You Do And Where You Do It.

HOW DO YOU PUT A GIRAFFE INTO A REFRIGERATOR? This is an animated short that is used as a meeting opener to stimulate the thinking of the participants.

TEAMSPEAK: HOW TO ASK POSITIVE QUESTIONS. The video's basic theme is the importance of asking positive questions at team meetings.

CHARACTER IN ACTION: THE UNITED STATES COAST GUARD ON LEADERSHIP. In this video author Donald T. Phillips ("Lincoln on Leadership") demonstrates the highest qualities of leadership, and how to apply them, using the example of the United States Coast Guard.

PIT CREW CHALLENGE: DRIVEN TO PERFORM. The video uses the example of an executive team, whose members have little or no experience with cars beyond driving them, taking the challenge of learning how to function as a NASCAR pit crew.

WORKTEAMS AND THE WIZARD OF OZ. Utilizing scenes from the classic movie, host Ken Blanchard demonstrates how workteams can reach their goals, no matter how diverse their members or how difficult the undertaking.

GENERATION WHY. Former teacher and coach on camera host Eric Chester shows organizations how to recruit, train, manage, motivate, and retain the very best of this new generation.

In most cases the cost of production for the workforce training videos range from a low of $40,000 to a high of $125,000. Among the factors that determine the cost are: (a) Script costs, (b) number of cast members, (c) location or studio photography, (d) on-camera host, (e) music & special effects, and (f) size of production crew. Given our limited funds, we did not produce any new training videos during fiscal 2010.

DISTRIBUTION OF VIDEOS

As stated above, a consequence of our current and very limited financial resources is that we are unable to develop and produce new training videos on a regular basis. As a result, we mainly marketed and sold videos produced by third parties during the period ended May 31, 2010. These producers range in size from large corporations, to small independent companies. In general, we market and sell videos they have financed and produced and we receive a discount ranging from 35% to 50% of the gross sale price. It is standard practice within the training industry for distributors to market and sell videos financed and produced by third parties. We are not dependent on any one producer as a source of product for us to sell. To date, no one source or product has accounted for 10% or more of revenues, nor has any one training video accounted for a significant portion of our revenue.

In regard to videos produced by us, we have non-exclusive distribution agreements with a number of distributors to market and sell videos financed and produced by us. Under the terms of these distribution agreements, we have agreed to pay a marketing/distribution fee, ranging from 35% to 50% of gross sales to distributors that sell our video training products. In many instances, we have mutual non-exclusive distribution agreements to market/distribute their products for a similar fee. We are not dependent on any one distributor to market or sell our product. To date, no one distributor has accounted for 10% or more of revenues derived from the sale of videos produced by us. Currently, we have twenty-eight domestic distribution agreements, and twenty-seven international distribution agreements. Most of the domestic distribution agreements are with companies that both produce and distribute training videos. These agreements are reciprocal, in that under the terms of the agreements they are licensed to sell our videos and we are licensed to sell videos that were produced by them. The foreign distribution agreements, as well as domestic agreements with companies that only produce training videos provide only a license for us to sell videos produced by them. Except as mentioned above and along with the percentage of distribution fees paid or received, the terms and conditions are virtually the same in all of our distribution contracts.

The material terms of our various agreements with suppliers (which consist of distributors and producers) are very similar. In general, these agreements provide us with the right to sell the supplier's video training products on a non-exclusive basis. Other material terms include: (i) length of contractual period, automatic renewal for an additional one (1) year terms, subject to termination on 30 or 60 days prior written notice by either party; (ii) sales territory; (iii) confirmation of our independent contractor relationship: (iv) sales commission: and, (v) in two (2) instances we are required to meet monthly sales minimums, which if not met, permits the supplier, at his option, to terminate the agreement. As noted above, we market and sell the training videos for a commission from 35% to 50% of the gross sales price. We are in compliance with all the terms and conditions of our agreements with suppliers.

WORKFORCE TRAINING INDUSTRY OVERVIEW

GENERAL

Except where specifically indicated, the following industry views and analysis are based on management's interpretations and beliefs resulting from their experience in the production, sales and marketing of workforce training videos, and their attendance at industry events such as the annual American Society for Training & Development (ASTD) meeting where industry trends are discussed.

According to the Annual Industry Report published by Nielsen Business Media in its October/November 2009 issue of its industry publication, TRAINING MAGAZINE:

- $52.2 billion will be spent for training in 2009 by U.S. organizations with 100 or more employees. This compares to approximately $56.0 billion total industry spending in 2008. The article attributes the decline to the continuing challenging economic climate. This figure was calculated by projecting the average training budget to a weighted universe of companies, using the Dun & Bradstreet counts of U.S. organizations with more than 100 employees.

- $7.0 billion of that $52.2 billion was spent on outside providers of products and services in 2009. This compares to $15.4 billion in 2008. These products and services include "off-the-shelf" materials (our videos and work books are included in this category). Management feels that the significant decline in expenditures for outside products and services is a result of general economic conditions causing corporations to slash their training budgets, less use of outside consultants, and more utilization of in-house developed training materials.

"Soft-Skill" training and Information Technology training represent the industry's two major distinct sources of revenue. Soft-Skill training includes management skills/development, supervisory skills, communication skills, new methods and procedures, customer relations/services, clerical/secretarial skills, personal growth, employee/labor relations, and sales. Information Technology training includes client/server systems, internet/intranet technologies, computer networks, operating systems, databases, programming languages, graphical user interfaces, object-oriented technology and information technology management.

TRAINING VIDEO PRODUCTION

As stated earlier, approximately 40% to 50% of our revenue is derived from the sale of training videos produced by other companies. Many of these videos are produced by producer/distributors that have the financial resources to produce several videos each year. These producer/distributors then enter into sub-distribution agreements with other industry distributors to market and sell these videos. Additionally, there are many independent producers who produce one or two videos a year. These independent producers then enter into distribution agreements for the marketing and sale of their videos. Such agreements are usually on a royalty basis, and may include an advance against royalties.

THE SOFT SKILL TRAINING MARKET

There are over thirty different specific soft-skill training subjects utilized by organizations to increase employee productivity and awareness. Among the top ten subjects are: new-employee orientation, leadership, sexual harassment, new-equipment orientation, performance appraisals, team-building, safety, problem-solving/decision-making, train-the-trainer, and product knowledge.

We have produced and are marketing training videos that address a number of the above mentioned soft-skill categories. These videos address such categories as leadership, team-building, and problem solving/decision-making. These three categories match the focus of the videos in our current library.

Although many organizations continue to maintain in-house training departments, outside suppliers represent a significant portion of the training budget. TRAINING MAGAZINE reported in its recent industry report that training delivered by outside sources represented approximately 30% of the total dollars spent on traditional training, and approximately 38% of technology based training.

THE INFORMATION TECHNOLOGY MARKET

To date, we have not produced any training products for the information technology market. Nor do we anticipate doing so in the foreseeable future. However, since we do market such products produced by others, we felt it appropriate to include a discussion of this sector.

The Annual Industry Report additionally revealed that of all formal training in U.S. organizations with ten or more employees, approximately 40% of that formal training is devoted to teaching computer skills. Management believes that the market for Information Technology will continue to be driven by technological change, and that the increasing demand for training information technology professionals is a result of several key factors, including:

- the proliferation of computers and networks throughout all levels of organizations;
- the shift from mainframe systems to new client/server technologies;
- the continuous introduction and evolution of new client/server hardware and software technologies;
- the proliferation of internet and intranet applications; and

- corporate downsizing.

It is our belief that these foregoing factors have resulted in an increase in training requirements for employees who must perform new job functions or multiple job tasks that require knowledge of varied software applications, technologies, business specific information, and other training topics. Furthermore, since we believe that many businesses use hardware and software products provided by a variety of vendors, their information technology professionals require training on an increasing number of products and technologies which apply across vendors, platforms and operating systems.

PRODUCTS AND SERVICES

During fiscal 2010 we devoted our limited resources to the distribution of workforce training videos. Due to the significant amount of cash required to produce new training videos, ($40,000 to $125,000), we did not produce any new training products during fiscal 2010.

Accompanying each of the videos is a workbook that is designed to be given to all employees participating in the training program. These workbooks are written for us by training professionals and serve to reinforce and enhance the lasting effectiveness of the video.

Training videos typically have a running time of 20 to 35 minutes. The price range for training videos is from a low of $295 to over $895 per video. Except for our video entitled HOW DO YOU PUT A GIRAFFE INTO A REFRIGERATOR?, which is used as a short 3 minute meeting opener, the videos we acquired fall within the 25 to 35 minute running time range and are sold within the price range mentioned above. The wide variance in the pricing structure is due to such factors as quality of production, on-camera personalities, source of material, sophistication of graphics, and accompanying reference materials. To date, our strategy has been to concentrate on producing high caliber videos utilizing elements and production values that will generate sales at the higher end of the price range, where profit margins are greater.

The price differential between a corporate training video and a standard consumer video is justified by the fact that an organization will purchase a video and utilize it to train hundreds of employees over many years.

SALES AND MARKETING

As stated earlier, the Company's business is conducted under the dba Advanced Knowledge. Accordingly, all of our marketing and sales materials incorporate the Advance Knowledge name and logo. In most cases, the sale of management and general workforce training videos involve direct mail solicitation, preview request fulfillment, and telemarketing. We begin our sales effort by identifying prospective buyers and soliciting them through direct mail appeals that offer the recipient a free preview. In addition, we market and distribute our work force training videos via our web site at www.advancedknowledge.com. During the past year there has been a significant increase within the training industry on the utilization of the internet to both market and deliver training products.

Preview request fulfillment represents a major part of our sales plan. It has been our experience that most professional trainers will not purchase a training video until they have previewed it in its entirety, affording them an opportunity to evaluate the video's applicability to their specific objective and to judge its effectiveness as a training tool. Rather than shipping preview copies, most customers now preview videos on-line. Within a short period of time following the preview request, a representative will call the prospective buyer to obtain their comments and to ascertain their level of interest.

TELEMARKETING

We manage our telemarketing efforts by utilizing part-time staff or free lance telephone representatives who focus primarily on following up on leads that have been generated through direct mail solicitation. Occasionally, we will utilize the services of an outside telemarketing firm to supplement our own efforts. Before calling potential customers our telemarketers are provided with information on a customer's buying history and past needs.

DIRECT MAIL

We believe one of the most cost efficient ways of generating sales is through the direct mailing of product catalogues to the purchaser of training products and materials at organizations having 100 or more employees. This is our prime target. According to Dun & Bradstreet, there are over 135,000 organizations in the United States with at least 100 people. However, during the past fiscal year, as a result of our very limited funds we have not been able to utilize this sales method.

COMPANY WEBSITE

Our experience during the past few years has been that increasingly corporate training managers and others responsible for the purchase of training videos are utilizing the internet to research and make their purchases. As a result, we anticipate spending available funds to upgrade our website’s functionality by improving its overall design, and by adding additional features, such as the ability to preview videos online, broaden the website's database to include more content information on most videos, increase the website's search capabilities, and to generally make the website more user friendly.

Additionally, in an effort to increase traffic to our website, we have paid both Google and Yahoo for better placement on their search engines. We intend to continue to pay these search engines for prime placement, as our financial resources permit.

COMPETITION

The workforce training industry is highly fragmented, with low barriers to entry and no single competitor accounting for a dominant market share. Among our competitors are companies such as Media Partners Corp., the LearnCom Corporation, Coastal Training Technologies, and CRM Learning. Many of our competitors have a competitive edge, as demonstrated by the fact that these companies were able to spend significantly more money for the production, and marketing of new videos. Additionally, we compete with the internal training departments of companies and other independent education and training companies.

INTERNAL TRAINING DEPARTMENTS

We have learned that internal training departments generally provide companies with the most control over the method and content of training, enabling them to tailor the training to their specific needs. However, because internal trainers in many cases find it difficult to keep pace with new training concepts and technologies and lack the capacity to meet demand, organizations supplement their internal training resources with externally supplied training in order to meet their requirements.

INDEPENDENT TRAINING PROVIDERS

Our experience has revealed that independent training providers range in size and include publishers of texts, training manuals and newsletters, as well as providers of videos, software packages, training programs, and seminars.

As a result of the need for external training products and services, many large corporations have entered the field by establishing corporate training divisions. Among the larger competitors are: Times Mirror Corporation; Sylvan Learning Systems, Inc.; Berkshire Hathaway; and Harcourt General. Additional competitors currently producing training products include Blanchard Training & Development, Career Track, American Media, Pfeiffer & Company, CRM Films, Charthouse International, and Learning Works. In all cases, the companies listed above have established credibility within the training industry and, compared to us, have substantially greater name recognition and greater financial, technical, sales, marketing, and managerial resources.

The workforce training market is characterized by significant price competition, and we expect to face increasing price pressures from competitors as company training managers demand more value for their training budgets. There can be no assurance that we will be able to provide products that compare favorably with workforce instructor-led training techniques, interactive training software or other video programs, or that competitive pressures will not require us to reduce our prices significantly.

COMPANY HISTORY

We were incorporated in Delaware on October 31, 2006. From the date we were incorporated until March 1, 2007, we were a wholly owned subsidiary of Dematco, Inc., formerly Advanced Media Training Inc., a Delaware corporation (hereinafter "Dematco"). On December 10, 2006, our then parent Dematco acquired all the remaining outstanding shares of Dematco Ltd., and elected a new slate of directors and appointed new corporate officers. Concurrent with the acquisition, the new management of Dematco decided to change its core business to that of its just acquired company Dematco, Ltd., and to as soon as feasible cease all business activity related to its unrelated business of producing and distributing workforce training videos. The business of Dematco, Ltd. is the dematerializing or converting of financial instruments from paper form to electronic form so as to enable such instruments to be traded in a secure manner electronically on exchanges or exchange platforms on a peer to peer basis.

On March 1, 2007, to facilitate its exit from the training business, the Company and Dematco entered into an Asset and Liability Assumption Agreement, whereby the Company acquired all of Dematco's assets and liabilities related to the production and distribution of workforce training videos in exchange for 1,750,000 shares of the Company's common stock. The assets included distribution rights to twelve workforce training videos, its distribution contracts with other producers of related videos, accounts receivable totaling approximately $9,000, the name Advanced Knowledge for use by a division of the Company, and the Advanced Knowledge website. As stated earlier, the training video business has been and currently is conducted under the dba Advanced Knowledge. The liabilities we assumed included approximately $28,500, in accounts payable, an outstanding line of credit balance of $12,000, and an outstanding credit card balance of approximately $23,500.

Additionally, on March 1, 2007 Dematco's Board of Directors approved and agreed to a debt conversion agreement between three parties, namely, (i) Dematco as the parent company, (ii) us, as the then wholly owned subsidiary of Dematco, and (iii) our president, Buddy Young. Under the terms of the agreement, Mr. Young agreed to convert $80,000 of the $138,173 owed to him by the Company under a promissory note, to equity in exchange for Dematco's transfer of 1,000,000 shares of the Company's common stock to Mr. Young. As a result, Mr. Young became our principal shareholder, while Dematco retained 750,000 shares of our common stock. As a result of that transfer we were no longer a subsidiary of Dematco.

Further, on January 31, 2008, the Company as the creditor, entered into a Note Satisfaction and Exchange Agreement with Dematco as debtor, pursuant to which the Company forgave the principal amount of approximately $30,000 owed to it by Dematco in exchange for Dematco’s distribution of all of its interest in the Company (which interest consists of seven hundred and fifty thousand (750,000) shares of Progressive’s common stock to Dematco’s shareholders, as of March 25, 2008. As a result, Dematco no longer owns any shares of the Company, nor does it have any other relationship with or interest in us.

On March 16, 2009, the Company entered into an agreement to issue 3.0 million shares of restricted common stock of the Company in exchange for a total of $180,000 of debt due to the Company’s President.

Since our inception, we have been engaged in the development, production and distribution of management and general workforce training videos for use by businesses throughout the world.

As a result of our very limited cash position we currently only have two part time consultants who assist with the marketing and administration functions. We mainly utilize outside services to handle our accounting and other administrative requirements, and commissioned sales personnel to handle the selling and marketing of our videos. In addition, Mr. Buddy Young, our Chief Executive Officer, Chief Financial Officer and Chairman of the Board of Directors works on a part-time basis. During the year ended May 31, 2010, Mr. Young contributed non-cash compensation (representing the estimated value of services and value of the use of personal equipment contributed to the Company of $41,600).

Item 2. Properties

We lease office space consisting of a total of approximately 750 square feet, from Encino Gardens LLC, an unaffiliated third party for $900 per month, located at 17337 Ventura Boulevard, Suite 305, Encino, California 91316. The lease is on a month-to-month basis.

Item 3. Legal Proceedings

As of the date hereof, we are not a party to any material legal proceedings, and we are not aware of any such claims being contemplated against us.

Item 4. (Reserved)

PART 11

Item 5. Market For Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock has been quoted on the OTC Bulletin Board under the symbol "PRTR" since November 17, 2008. The following table sets forth the high and low sales prices for the Common Stock as reported by the OTC Bulletin Board during the periods indicated. Over-the-counter market quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission, and may not necessarily represent actual transactions.

	High	Low
Year ended December 31, 2009		
1st Quarter	$0.51	$0.05
2nd Quarter	0.12	0.05
3rd Quarter	0.09	0.05
4th Quarter	0.12	0.08
Year ended December 31, 2008		
1st Quarter	$ NA	$NA
2nd Quarter	NA	NA
3rd Quarter	NA	NA
4th Quarter	0.25	0.10

HOLDERS

As of May 31, 2010, we have 5,280,000 shares of common stock issued and outstanding held by approximately 190 shareholders of record. We currently have no outstanding options or warrants for the purchase of our common stock and have no securities outstanding which are convertible into common stock. We have not yet adopted or developed any plans to adopt any stock option, stock purchase or similar plan for our employees.

COMMON STOCK

The Company's certificate of incorporation provides for the authorization of 100,000,000 shares of common stock, $0.0001 par value. As of May 31, 2010, 5,280,000 shares of common stock were issued and outstanding, all of which are fully paid and non-assessable.

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DIVIDEND POLICY

We have not declared any cash dividends on our common stock since our inception and do not anticipate paying such dividends in the foreseeable future. We plan to retain any future earnings for use in our business. Any decisions as to future payments of dividends will depend on our earnings and financial position and such other facts as the board of directors deems relevant. We are not limited in our ability to pay dividends on our securities.

EQUITY COMPENSATION PLANS

We have not adopted any "equity compensation plans" and have not issued any securities under any such plan.

Item 6. Selected Financial Data

Not Applicable
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read this section together with our financial statements and related notes thereto included elsewhere in this report. In addition to the historical information contained herein, this report contains forward-looking statements that are subject to risks and uncertainties. Forward-looking statements are not based on historical information but relate to future operations, strategies, financial results or other developments. Forward-looking statements are based upon estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and many of which, with respect to future business decisions, are subject to change. Certain statements contained in this Form 10, including, without limitation, statements containing the words "believe," "anticipate," "estimate," "expect," "are of the opinion that" and words of similar import, constitute "forward-looking statements." You should not place any undue reliance on these forward-looking statements.

You should be aware that our results from operations could materially be effected by a number of factors, which include, but are not limited to the following: economic and business conditions specific to the workforce training industry, competition from other producers and distributors of training videos; our ability to control costs and expenses, access to capital, and our ability to meet contractual obligations. There may be other factors not mentioned above or included elsewhere in this report that may cause actual results to differ materially from any forward-looking information.

CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations are based upon our statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. In consultation with our Board of Directors, we have identified two accounting policies that we believe are key to an understanding of our financial statements. These are important accounting policies that require management's most difficult, subjective judgments.

The first critical accounting policy relates to revenue recognition. We recognize revenue from product sales upon shipment to the customer. Rental income is recognized over the related period that the videos are rented. Based on the nature of our product, we do not accept returns. Damaged or defective product is replaced upon receipt. Such returns have been negligible since the Company's inception.

The second critical accounting policy relates to production costs. The Company periodically incurs costs to produce new management training videos and to enhance current videos. Historically, the Company has been unable to accurately forecast revenues to be earned on these videos and has, accordingly, expensed such costs as incurred. No such costs were incurred in the years ended May 31, 2010 or 2009.

RESULTS OF OPERATIONS

GENERAL

Our principal customers are companies having 100 or more employees with an established training department. In many cases, training departments are part of and supervised by the company's human resource department.

We face competition from numerous other providers of training videos. We believe many of these competitors are larger and better capitalized than the Company. Additionally, if the Company is to grow its business by financing and producing additional training videos, it will require additional capital. Further, as reflected in our financial statements, our revenues have been severely impacted by the current general economic condition. Corporations tend to reduce their training budgets during an economic slowdown.

To date our cash flows from operations have been minimal. Other than from operations and our line of credit, our only source of capital is an agreement with our President and majority shareholder to fund any shortfall in cash flow up to $250,000 at 8% interest through June 30, 2011. Repayment is to be made when funds are available with the balance of principal and interest due December 31, 2011. On March 16, 2009, the Company entered into an agreement to issue 3.0 million shares of restricted common stock of the Company in exchange for a total of $180,000 of debt due to the Company’s President. As of May 31, 2010, the Company owes Mr. Young a total of $66,767 in principal, and a total of $10,700 in related accrued interest.

We anticipate that the cash flow from operations, together with the available funds under the above referenced agreement with our president will be sufficient to fulfill our capital requirements through fiscal year 2010.

Our efforts during the next 12 months will mainly be focused on, increasing revenue by (a) seeking to retain additional free lance commissioned sales representatives, (b) improve the functionality of our website by adding features such as providing customers the ability to preview videos online, and by enhancing the website's search capabilities and user interface, and (c) by allocating a portion of available cash flow for the production of new training videos. Further, in all probability, we will attempt to raise additional funds through the sale of equity, which may have a substantial dilutive effect on the holdings of existing shareholders.

If during the next twelve months our revenue is insufficient to continue operations, and we are unable to raise funds through the sale of additional equity, or from traditional borrowing sources, we may be required to totally abandon our business plan and seek other business opportunities in a related or unrelated industry. Such opportunities may include a reverse merger with a privately held company. The result of which could cause the existing shareholders to be severely diluted.

FOR THE YEARS ENDED MAY 31, 2010 AND 2009

SELECT FINANCIAL INFORMATION

	2010	2009
Statements of Operation Data:		
Revenue	$98,125	$132,181
Cost of revenues	9,788	24,302
Gross profit	88,337	107,879
Total expenses	166,741	246,583
Net loss after taxes	$(79,204)	$(139,504)
Net loss per share	$(0.02)	$(0.05)
Balance Sheet Data:		
Total assets	$13,577	$9,688
Total liabilities	$160,911	$119,418
Stockholders' deficit	$(147,334)	$(109,730)

REVENUES

Our net revenues for the year ended May 31, 2010 were $98,125. Net revenues for the year ended May 31, 2009 were $132,181. This represents a decrease of $34,056. This decrease in revenues was caused by three major factors: (1) general economic conditions have caused organizations to trim their expenditures for personnel training, (2) the aging of the training videos currently in our library, and (3) the increased use by organizations of internet based training. Gross product sales made up $75,204 or approximately 62% of the gross revenue. Gross royalties earned from the sales of our product amounted to $46,110 or approximately 38% of gross revenues during the year ended May 31, 2010 and $55,000 during the year ended May 31, 2009. Rental of videos were less than 1% of our sales. We expect the rentals of videos to continue to represent approximately the same percentage of revenues for the foreseeable future. Gross revenue from the sale of videos produced by other companies accounted for approximately 30% of gross product revenues.

COST OF REVENUES

The cost of revenues during the year ended May 31, 2010, was $9,788 as compared to $24,302 during the year ended May 31, 2009. The cost of revenues, as a percent of net revenues was 10% during the year ended May 31, 2010 and 18% during the year ended May 31, 2009. Although there may be occasional variances, we anticipate that the cost of goods sold (excluding production costs expensed) as a percentage of total revenues will continue to generally be approximately within the 15 to 35 percent range.

During most periods up to 50% of our revenue is generated from the sale of training videos produced by companies with which we have distribution contracts with. The terms of these distribution contracts vary with regard to percentage of discount we receive. These discounts range from a low of 35% to a high of 50% of gross receipts.

EXPENSES

Selling and Marketing expenses were $13,595 for the year ended May 31, 2010 as compared to $36,776 for the year ended May 31, 2009. This represents a decrease of $23,181. The primary reason for the decrease is due to reduced consulting expenses incurred as a result of the termination of Howard Young’s consulting agreement with the Company; those expenses were previously allocated equally between Selling and Marketing expenses and General and Administrative expenses. In addition, we experienced a decrease in our commission expense to $3,401 during the year ended May 31, 2010 from $7,502 during the year ended May 31, 2009. Our Selling and Marketing costs are directly affected by the number of new training products we introduce into the marketplace and the product mix of our sales.

General and administrative expenses for the year ended May 31, 2010 were $147,050 as compared to $197,409 for the year ended May 31, 2009. This represents a decrease of $50,359. This decrease is mainly the result of a decrease in our professional and outside services in the amount of $22,928, to $58,124 during the year ended May 31, 2010 from $81,052 during the year ended May 31, 2009. We also decreased our rent expense to $15,600 during the year ended May 31, 2010 from $29,709 during the year ended May 31, 2009 by moving to a smaller office space.

Research and development expenses were $50 and $36 for the year ended May 31, 2010, and 2009, respectively. We anticipate that we will incur minimal research and development costs as we evaluate and develop new training video products during the next fiscal period.

Interest expense totaled $6,046 for the year ended May 31, 2010 and $12,362 for the year ended May 31, 2009. This represents a decrease of $6,316. The major reason for the decrease is that on March 16, 2009, the Company entered into an agreement to issue 3.0 million shares of restricted common stock of the Company in exchange for a total of $180,000 of debt due to the Company’s President. Interest expense relates to our line of credit and borrowings from our principal shareholder. On May 31, 2010 our total term debt outstanding was $106,105 as compared to $54,988 on May 31, 2009.

NET LOSS

As a result of the aforementioned, our net loss was $79,204 for the year ended May 31, 2010 and $139,504 for the year ended May 31, 2009.

PLAN OF OPERATION

We will continue to devote our very limited resources to marketing and distributing workforce training videos and related training materials, through our website. At this time these efforts are focused on the sale of videos produced by third parties since these are generally newer and more accepted in the marketplace. Historically up to 50% of our revenue has been derived from these revenues, although such sales were only 30% in 2010 and 40% in 2009. Additionally, we will continue to market videos produced by us, Among these are "The Cuban Missile Crisis: A Case Study In Decision Making And Its Consequences," "What It Really Takes To Be A World Class Company," "How Do You Put A Giraffe In The refrigerator?." If cash flow permits we will spend some of our resources on the production and marketing of additional training videos produced by us. The amount of funds available for these expenditures will be determined by cash flow from operations, as well as, our ability to raise capital through an equity offering or further borrowing from our President, and other traditional borrowing sources.

Pursuant to a March 24, 2010, non binding Letter of Intent between the Company and PharmCo. LLC., management, while conducting its operations as outlined above, will continue its negotiations to acquire all of the outstanding membership interests of PharmCo. LLC. Located in Florida, PharmCo. LLC operates a retail pharmacy in South Florida.

Management expects that sales of videos and training materials, along with available funds under an agreement with its President and majority shareholder should satisfy our cash requirements through fiscal 2011. The Company's marketing expenses and the production of new training videos will be adjusted accordingly.

If during the next twelve months our revenue is insufficient to continue operations, and we are unable to raise funds through the sale of additional equity, or are unsuccessful in completing the acquisition of all the PharmCo, LLP membership interests, we may be required to totally abandon our business plan and seek other business opportunities in a related or unrelated industry. Such opportunities may include a reverse merger with a privately held company. The result of which could cause the existing shareholders to be severely diluted.

We currently have no full time employees. We do have two part time consultants who assist with the administration functions. We mainly utilize outside services to handle our accounting and other administrative requirements, and commissioned sales personnel to handle the selling and marketing of our videos. Mr. Buddy Young, our Chief Executive Officer, Chief Financial Officer and Chairman of the Board of Directors works on a part-time basis. During the year May 31, 2010, Mr. Young contributed non-cash compensation (representing the estimated value of services and the use of personal equipment contributed to the Company) of $41,600.

LIQUIDITY AND CAPITAL RESOURCES

Our working capital deficit was $70,768 at May 31, 2010.

Our cash flows used by operations were $45,197 during the year ended May 31, 2010. This is the result of our net loss in the amount of $79,204, along with the increase in accounts receivable of $3,215 offset by a reduction in our accounts payable of $9,624.

Our cash flows used by operations were $110,216 for the year ended May 31, 2009. This is the result of our net loss of $139,504 along with cash used by accounts payable and accrued expenses of $28,794, offset by decrease in our accounts receivable of $16,482.

During the year ended May 31, 2010 and May 31, 2009 we did not use any cash for investing activities.

Our cash flows provided by financing activities were $51,117 for the year ended May 31, 2010. This is the result of borrowing from a shareholder in the amount of $50,505 along with borrowing on our line of credit in the amount of $612.

Our cash flows provided by financing activities were $110,924 for the year ended May 31, 2009. This is the result of borrowing from a shareholder in the amount of $110,207 along with borrowing on our line of credit in the amount of $717.

We currently have no material commitments at this time to fund development of new videos or to acquire any significant capital equipment.

We are a company with a limited operating history and a history of net losses.

We had a cash balance of 8,238 on May 31, 2010. We have an agreement with our President and majority shareholder to fund any shortfall in cash flow up to $250,000 at 8% interest through June 30, 2011. We owed our President a total of $66,767 in principal under the agreement as of May 31, 2010. The note is collateralized by all of our right, title and interest in and to our video productions and projects, regardless of their stage of production, including all related contracts, licenses, and accounts receivable. Any unpaid principal and interest under the Note will be due and payable on December 31, 2011.

The Company has a revolving line of credit with Bank of America. This line of credit permits the Company to borrow up to $40,000. The line of credit is guaranteed by the Company's President. Interest is payable monthly at 2.22% above the bank's prime rate of interest (5.48% at May 31, 2010). The line of credit does not require the Company to meet performance criteria or maintain any minimum levels of income or assets. It does require the Company to maintain insurance, maintain a modern system of accounting in accordance with generally accepted accounting principles ("GAAP") and to comply with the law. The Company is in compliance with the terms and conditions of the line of credit. The outstanding balance as of May 31, 2010, was $39,338.

If revenues from the sale of our videos do not provide sufficient funds to maintain operations, then we believe the raising of funds through further borrowings from our President or the sale of additional equity will be sufficient to satisfy our budgeted cash requirements through December 31, 2011. Additionally, we may attempt a private placement sale of our common stock. Further, our ability to pursue any business opportunity that requires us to make cash payments would also depend on the amount of funds that we can secure from these various sources.

If during the next twelve months our business remains depressed, mainly as a result of general economic conditions, and we are unable to raise the necessary funds through the sale of additional equity, or from traditional borrowing sources, we may be forced to further scale back our operations, or to totally abandon our business plan of producing and distributing workforce training videos, and seek other business opportunities in a related or unrelated industry. Such opportunities may include a reverse merger with a privately held company. The result of which could cause the existing shareholder to be severely diluted.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Not applicable

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE BOARD OF DIRECTORS AND STOCKHOLDERS OF PROGRESSIVE TRAINING, INC.:

We have audited the accompanying balance sheets of Progressive Training, Inc. as of May 31, 2010 and 2009, and the related statements of operations, shareholders' deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company determined that it was not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits, such financial statements present fairly, in all material respects, the financial position of the Company as of May 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/S/ FARBER HASS HURLEY LLP
CAMARILLO, CALIFORNIA
AUGUST 25, 2010

PROGRESSIVE TRAINING, INC.
BALANCE SHEETS
MAY 31, 2010 AND 2009

	2010	2009
ASSETS		
Cash	$ 8,238	$ 2,318
Accounts receivable, net of allowance for doubtful accounts of $8,200, and $4,000	4,439	5,424
Property and equipment, net of accumulated depreciation of $11,709	-	-
Prepaid expenses and other assets	900	1,946
TOTAL ASSETS	$ 13,577	$ 9,688
LIABILITIES AND SHAREHOLDERS' DEFICIT		
LIABILITIES:		
Line of credit	$ 39,338	$ 38,726
Accounts payable and accrued expenses	44,106	57,582
Accrued interest due to shareholder	10,700	6,848
Note payable due to shareholder	66,767	16,262
Total liabilities	160,911	119,418
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' DEFICIT:		
Common Stock, par value - $.0001; 100,000,000 shares authorized; 5,280,000 shares issued and outstanding	528	528
Additional paid-in capital	1,598,323	1,556,723
Accumulated deficit	(1,746,185)	(1,666,981)
Total shareholders' deficit	(147,334)	(109,730)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	$ 13,577	$ 9,688

See accompanying notes to financial statements.

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PROGRESSIVE TRAINING, INC.
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MAY 31, 2010 AND 2009

	2010	2009
NET REVENUES	$ 98,125	$ 132,181
COST OF REVENUES	9,788	24,302
GROSS PROFIT	88,337	107,879
EXPENSES:		
Selling and marketing	13,595	36,776
General and administrative	147,100	197,445
Interest expense	6,046	12,362
Total expenses	166,741	246,583
LOSS BEFORE INCOME TAXES	(78,404)	(138,704)
INCOME TAXES	800	800
NET LOSS	$ (79,204)	$ (139,504)
BASIC AND DILUTED LOSS PER SHARE	$ (0.02)	$ (0.05)
WEIGHTED AVERAGE SHARES	5,280,000	2,904,658

See accompanying notes to financial statements.

PROGRESSIVE TRAINING, INC.
STATEMENTS OF SHAREHOLDERS' DEFICIT
FOR THE YEARS ENDED MAY 31, 2010 AND 2009

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	ADDITIONAL PAID-IN CAPITAL	ACCUMULATED (DEFICIT)	TOTAL
BALANCE, MAY 31, 2008	2,280,000	$ 228	$ 1,335,423	$ (1,527,477)	$ (191,826)
CONTRIBUTED CAPITAL	-	-	41,600	-	41,600
STOCK ISSUED FOR DEBT	3,000,000	300	179,700	-	180,000
NET LOSS	-	-	-	(139,504)	$ (139,504)
BALANCE, MAY 31, 2009	5,280,000	$ 528	$ 1,556,723	$ (1,666,981)	$ (109,730)
CONTRIBUTED CAPITAL	-	-	41,600	-	41,600
NET LOSS	-	-	-	(79,204)	$ (79,204)
BALANCE, MAY 31, 2010	5,280,000	$ 528	$ 1,598,323	$ (1,746,185)	$ (147,334)

See accompanying notes to financial statements.

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PROGRESSIVE TRAINING, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2010 AND 2009

		2010		2009
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net loss	$	(79,204)	$	(139,504)
Adjustments to reconcile net loss to net cash used by operating activities:				
Contribution of capital for services		41,600		41,600
Provision for doubtful accounts		4,200		-
Changes in operating assets and liabilities:				
Accounts receivable		(3,215)		16,482
Prepaid expenses		1,046		-
Accounts payable and accrued expenses		(9,624)		(28,794)
Net cash used by operating activities		(45,197)		(110,216)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Net borrowings (repayments) from (to) shareholder		50,505		110,207
Net borrowings (repayments) on line of credit		612		717
Net cash provided by financing activities		51,117		110,924
NET INCREASE (IN CASH		5,920		708
CASH, BEGINNING OF PERIOD		2,318		1,610
CASH, END OF PERIOD	$	8,238	$	2,318
SUPPLEMENTAL DISCLOSUSRE OF CASH FLOW INFORMATION:				
Cash paid for interest	$	2,195	$	2,488
Cash paid for income taxes	$	800	$	800

See accompanying notes to financial statements

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PROGRESSIVE TRAINING, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BUSINESS BACKGROUND

Progressive Training, Inc. the "Company") was incorporated under this name in Delaware on October 31, 2006. The Company is engaged in the development, production and distribution of training and educational video products and services. From August 10, 2004 through December 11, 2006 the business of the development, production and distribution of management and general workforce training videos was previously conducted under the name Advanced Media Training, Inc.

RECLASSIFICATIONS

Certain 2009 amounts have been reclassified to conform to presentation in 2010.

UNCLASSIFIED BALANCE SHEET

In accordance with the provisions of AICPA Statement of Position 00-2, "ACCOUNTING BY PRODUCERS OR DISTRIBUTORS OF FILMS," the Company has elected to present unclassified balance sheets.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts and timing of revenue and expenses, the reported amounts and classification of assets and liabilities, and the disclosure of contingent assets and liabilities. These estimates and assumptions are based on the Company's historical results as well as management's future expectations. The Company's actual results could vary materially from management's estimates and assumptions.