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Revolutionary Concepts Inc  
Form 10-Q  
August 22, 2011

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED June 30, 2011

Commission File Number 000-53674

**REVOLUTIONARY CONCEPTS, INC.**

(Exact name of Registrant as specified in its charter)

Nevada	7382	27-0094868
(State or other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

**Revolutionary Concepts, Inc.**

6000 Fairview Rd, Suite 1425

Charlotte, NC 28210

980-225-5376

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(Address and telephone number of principal executive offices and principal place of business)

**Ron Carter, President**

**Revolutionary Concepts, Inc.**

6000 Fairview Rd, Suite 1425

Charlotte, NC 28210

980-225-5376

(Name, address and telephone number of agent for service)

Copies to:

**Jill Arlene Robbins**

Attorney at Law

525 93 Street

Surfside, Florida 33154

(305) 531-1174

(305) 531-1274 (facsimile)

Check whether the issuer (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 last 90 days. YES  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). 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. See the definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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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 or the Exchange Act).  
YES  NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	<u>Outstanding at August 19, 2011</u>
Common stock, \$0.001 par value	61,248,037

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**FOR THE SIX MONTHS ENDED JUNE 30, 2011 AND 2010**

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**PART I**

**FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

The accompanying reviewed interim consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q. Therefore, they do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. Except as disclosed herein, there has been no material change in the information disclosed in the notes to the financial statements included in the Company's annual report on Form 10-K/A for the year ended December 31, 2010. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the three and six months ended June 30, 2011 are not necessarily indicative of the results that can be expected for the year ending December 31, 2011.

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REVOLUTIONARY CONCEPTS, INC.  
(A Development Stage Company)

BALANCE SHEETS  
as of June 30, 2011 and 2010

	<b>(Unaudited)</b>	<b>(Audited)</b>
	June 30,	December
	2011	31, 2010
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$671	\$184
Total Current Assets	671	184
Fixed Assets		
Computer equipment	11,331	11,331
Accumulated depreciation	(10,857 )	(10,577 )
Total Net Fixed Assets	474	754
Other Assets		
Patent costs	88,306	88,306
Accumulated amortization	(79,592 )	(74,602 )
Total Patent Costs Net of Accumulated Amortization	8,714	13,704
Security deposits	1,500	1,500
Total Other Assets (net of accumulated amortization)	10,214	15,204
<b>TOTAL ASSETS</b>	<b>\$11,359</b>	<b>\$16,142</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current Liabilities		
Accounts payable	\$166,511	\$78,809
Accrued interest payable	94,030	88,860
Other accrued expenses	473,240	215,340
Total Current Liabilities	733,781	383,009
Long-term Debt		
Notes payable	392,237	204,837
Notes payable - related parties	20,000	77,785
Total Long-term Debt	412,237	282,622
Stockholders' Deficit		
Preferred stock 10,000,000 shares authorized, none issued	—	—
Common stock, \$.001 par value, 37,857,533 shares issued and outstanding, 1,000,000,000 authorized	37,858	37,858

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Additional paid in capital	2,248,651	2,248,651
Unpaid capital contributions (note 3)	(120,350 )	(121,952 )
Deficit accumulated during the development stage	(3,300,818)	(2,814,046)
	(1,134,659)	(649,489 )
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 11,359</b>	<b>\$ 16,142</b>

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**REVOLUTIONARY  
CONCEPTS, INC.**  
(A Development  
Stage Company)

**STATEMENTS OF  
INCOME (LOSS)  
for the Quarters  
Ending June 30,  
2010 and 2011  
and the period from  
March 12, 2004  
(Inception) to June  
30, 2011  
(Unaudited)**

	For the three months ended		For the six months ended		(Inception) to
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010	June 30, 2011
<b>OPERATING EXPENSES</b>					
Automobile expense	\$1,152	\$1,152	\$2,304	\$2,304	\$27,791
Bank charges	98	221	182	438	7,016
Compensation	128,390	—	243,765	—	463,936
Depreciation and amortization expense	2,635	4,347	5,270	8,082	93,519
License and Permits	325	—	325	—	6,658
Office Expense	—	859	859	1,718	18,096
Office Supplies	859	76	859	615	15,424
Payroll taxes	—	(606)	12,916	(9,744)	46,236
Printing and Reproduction	429	—	502	2	16,122
Professional Fees	129,369	15,771	210,347	37,295	1,778,505
Product Research and Development	—	—	—	—	560,958
Taxes	—	64	—	64	1,305
Telephone Expense	1,033	704	1,195	867	22,492
Travel Expense	2,092	139	2,092	186	101,018
Website Development	22	480	22	480	13,776
Other Expenses	903	209	1,427	713	51,827
<b>Total Operating Expenses</b>	<b>\$267,307</b>	<b>\$23,416</b>	<b>\$482,065</b>	<b>\$43,020</b>	<b>\$3,224,579</b>
<b>OTHER INCOME AND (EXPENSE)</b>					
Interest income	1,221	1,107	2,361	2,969	35,251
Other income	—	—	—	—	490
Interest expense	(5,401)	(675)	(7,068)	(1,188)	(111,980)
	(4,180)	432	(4,707)	1,781	(76,239)
<b>NET (LOSS)</b>	<b>\$(271,487)</b>	<b>(22,984)</b>	<b>\$(486,772)</b>	<b>(41,239)</b>	<b>\$(3,300,818)</b>



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Weighted average number of common shares outstanding	31,098,168	18,521,425	31,098,168	18,521,425	31,098,168
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Net (Loss) per common shares outstanding	\$(0.01	) \$(0.00	) \$(0.02	) \$(0.00	) \$(0.13	)
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**REVOLUTIONARY  
CONCEPTS, INC.**  
(A Development  
Stage Company)

**STATEMENTS OF  
CASH FLOWS  
for the Quarters  
Ended June 30, 2010  
and 2011  
and the period from  
March 12, 2004  
(Inception) to June  
30, 2011  
(Unaudited)**

	For the six months ended		March 12, 2004 (Inception) to June 30, 2011
	June 30, 2011	June 30, 2010	June 30, 2011
	\$ (486,772)	\$ (41,239)	\$ (3,300,818)
Depreciation and amortization	5,270	8,082	90,449
(Increase) in other assets	—	—	(1,500 )
Common shares issued for services received	—	—	820,684
Increase in (decrease) accounts payable and accrued expenses	574,518	(45,044)	733,781
<b>NET CASH (USED IN) OPERATING ACTIVITIES</b>	<b>93,016</b>	<b>(78,201)</b>	<b>(1,657,404)</b>
Purchase of computer equipment	—	—	(11,331 )
Investment in patent costs	—	—	(88,306 )
<b>NET CASH (USED BY) INVESTING ACTIVITIES</b>	<b>—</b>	<b>—</b>	<b>(99,637 )</b>
Issuance of common stock shares from private placements	—	—	1,754
Issuance of common stock shares for warrants	—	—	18,470
Issuance of notes payable	48,604	—	782,522
Retirement of notes payable	(142,735)	—	(370,285 )
Paid in capital from private placements and warrants	—	—	992,471
Capital contributions	—	18,450	462,774
Common stock shares repurchased with cash	—	—	(9,644 )
Unpaid capital contributions (note 3)	1,602	59,751	(120,350 )
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>(92,529 )</b>	<b>78,201</b>	<b>1,757,712</b>

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NET (DECREASE) IN CASH	487	—	671
	184	—	—
	\$671	\$—	\$671
Interest paid	\$—	\$1,188	\$16,052
Income taxes paid	\$—	\$—	\$—

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**REVOLUTIONARY CONCEPTS, INC.**

(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS as of June 30, 2011

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of operations - Revolutionary Concepts, Inc. (the “Company”) was originally organized in North Carolina on March 12, 2004. On February 28, 2005 the Company was reorganized and re-domiciled as a Nevada corporation. The Company is in the product development stage. Recently, the Company completed the initial development of a working prototype of the EyeTalk Communicator (“EyeTalk”). This technology has many applications. The EyeTalk specifically provides wireless technology that offers consumers an opportunity to interact with visitors to their front door. This is initiated through a doorbell or a motion sensor, which sets off a series of events that result in a phone call to the consumer who then can interact with the visitor through both video and audio. This same wireless technology could also be made portable so that you could see a child’s sporting event or school play even when you not present. The Company is also exploring other applications for the technology. The Company may need to raise additional capital to further develop the EyeTalk and to begin the commercialization of the EyeTalk technology. They have obtained a patent on certain key components of the technology.

Basis of presentation - These financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements on a going concern basis, which assumes the realization of assets and the discharge of liabilities in the normal course of operations for the foreseeable future. The Company maintains its financial records on an accrual method of accounting. The Company’s ability to continue as a going concern is dependent upon continued ability to obtain financing to repay its current obligations and fund working capital until it is able to achieve profitable operations. The Company will seek to obtain capital from equity financing through the exercise of warrants and through future common share private placements. The Company may also seek debt financing, if available. Management hopes to realize sufficient sales in future years to achieve profitable operations. There can be no assurance that the Company will be able to raise sufficient debt or equity capital on satisfactory terms. If management is unsuccessful in obtaining financing or achieving profitable operations, the Company may be required to cease operations. The outcome of these matters cannot be predicted at this time. These financial statements do not give effect to any adjustments which could be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts differing from those reflected in the financial statements.

Revenue recognition – The Company will recognize sales revenue at the time of delivery when ownership has transferred to the customer, when evidence of a payment arrangement exists and the sales proceeds are determinable

and collectable. Provisions will be recorded for product returns based on historical experience. There was no revenue generated during the six months ended June 30, 2011.

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Options and warrants issued – The Company allocates the proceeds received from equity financing and the attached options and warrants issued, based on their relative fair values, at the time of issuance. The amount allocated to the options and warrants is recorded as additional paid in capital.

Stock-based compensation – The Company accounts for stock-based compensation at fair value in accordance with the provisions of the Financial Accounting Standards Board’s Accounting Standards Codification (“ASC”) Topic 718, “Stock Compensation”, which establishes accounting for stock-based payment transactions for employee services and goods and services received from non-employees. Under the provisions of ASC Topic 718, stock-based compensation cost is measured at the date of grant, based on the calculated fair value of the award, and is recognized as expense in the consolidated statements of operations pro ratably over the employee’s or non-employee’s requisite service period, which is generally the vesting period of the equity grant. The fair value of stock option awards is generally determined using the Black-Scholes option-pricing model. Restricted stock awards and units are valued using the market price of the Company’s common stock on the grant date. Additionally, stock-based compensation cost is recognized based on awards that are ultimately expected to vest, therefore, the compensation cost recognized on stock-based payment transactions is reduced for estimated forfeitures based on the Company’s historical forfeiture rates. Additionally, no stock-based compensation costs were capitalized for the three months ended March 31, 2011 and 2010. For the periods from inception (March 12, 2004) to June 30, 2011, no stock options were committed to be issued to employees.

Income taxes – Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards that are available to be carried forward to future years for tax purposes. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. When it is not considered to be more likely than not that a deferred tax asset will be realized, a valuation allowance is provided for the excess. Although the Company has significant loss carry forwards available to reduce future income for tax purposes, no amount has been reflected on the balance sheet for deferred income taxes as any deferred tax asset has been fully offset by a valuation allowance.

Loss per share – Basic loss per share has been calculated using the weighted average number of common shares issued and outstanding during the year.

Use of Estimates - The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions, where applicable, that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. While actual results could differ from those estimates, management does not expect such variances, if any, to have a material effect on the

financial statements.

Research and Development Costs - Research and development costs are expensed as incurred in accordance with generally accepted accounting principles in the United States of America. *Research* is planned search or critical investigation aimed at discovery of new knowledge with the hope that such knowledge will be useful in developing a new product or service or a new process or technique or in bringing about a significant improvement to an existing product or process. Development is the translation of research findings or other knowledge into a plan or design for a new product or process or for a significant improvement to an existing product or process whether intended for sale or use. It includes the conceptual formulation, design, and testing of product alternatives, construction of prototypes, and operation of pilot plants. It does not include routine or periodic alterations to existing products, production lines, manufacturing processes, and other on-going operations even though those alterations may represent improvements and it does not include market research or market testing activities. Elements of costs shall be identified with research and development activities as follows: The costs of materials and equipment or facilities that are acquired or constructed for research and development activities and that have alternative future uses shall be capitalized as tangible assets when acquired or constructed. The cost of such materials consumed in research and development activities and the depreciation of such equipment or facilities used in those activities are research and development costs. However, the costs of materials, equipment, or facilities that are acquired or constructed for a particular research and development project and that have no alternative future uses and therefore no separate economic values are research and development costs at the time the costs are incurred. Salaries, wages, and other related costs of personnel engaged in research and development activities shall be included in research and development costs. The costs of contract services performed by others in connection with the research and development activities of an enterprise, including research and development conducted by others in behalf of the enterprise, shall be included in research and development costs. There was no research and development costs incurred during the six months ended June 30, 2011.

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Depreciation – Depreciation is computed using the straight-line method over the assets' expected useful lives.

Intangible and Other Long-Lived Assets, Net - (Included in Accounting Standards Codification (“ASC”) 350 “Goodwill and Other Intangible Assets” previously SFAS No. 142 and ASC 985 “Accounting for Costs of Computer Software to be Sold, Leased, or Otherwise Marketed” previously SFAS No. 86)

Intangible assets are comprised of software development costs and legal fees incurred in order to obtain the patent. The software development costs are capitalized in accordance with SFAS 86. Costs of producing product masters incurred subsequent to establishing technological feasibility shall be capitalized. Those costs include coding and testing performed subsequent to establishing technological feasibility. Software production costs for computer software that is to be used as an integral part of a product or process shall not be capitalized until both (a) technological feasibility has been established for the software and (b) all research and development activities for the other components of the product or process have been completed. The fees incurred in order to obtain the patent are capitalized in accordance with SFAS 142 “Goodwill and Other Intangible Assets. This Statement applies to costs of internally developing identifiable intangible assets that an entity recognizes as assets APB Opinion 17, paragraphs 5 and 6. The Company periodically analyzes its long-lived assets for potential impairment, assessing the appropriateness of lives and recoverability of unamortized balances through measurement of undiscounted operating cash flows on a basis consistent with accounting principles generally accepted in the United States of America.

Amortization – Deferred charges are amortized using the straight-line method over six years.

**NOTE 2 – RECENT ACCOUNTING PRONOUNCEMENTS**

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

In January 2011, the FASB released Accounting Standards Update No. 2011-01 (“ASU 2011-01”), Receivables (Topic 310); Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update No. 2010-20, which deferred the disclosure requirements surrounding troubled debt restructurings. These disclosures are effective for reporting periods ending on or after June 15, 2011. We do not expect the disclosure requirements to have a material impact on our current disclosures.



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In April 2011, the FASB released Accounting Standards Update No. 2011-02 (“ASU 2011-02”), Receivables (Topic 310): A Creditor’s Determination of Whether a Restructuring is a Troubled Debt Restructuring. ASU 2011-02 clarifies the guidance for determining whether a restructuring constitutes a troubled debt restructuring. In evaluating whether a restructuring constitutes a troubled debt restructuring, a creditor must conclude that 1) the restructuring constitutes a concession and 2) the debtor is experiencing financial difficulties. ASU 2011-02 also requires companies to disclose the troubled debt restructuring disclosures that were deferred by ASU 2011-01. The guidance in ASU 2011-02 is effective for public companies in the first reporting period ending on or after June 15, 2011, but the amendment must be applied retrospectively to the beginning of the annual period of adoption. ASU 2011-02 is not expected to materially impact our consolidated financial statements.

No other accounting standards or interpretations issued recently are expected to have a material impact on the Company’s consolidated financial position, operations or cash flows.

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NOTE 3 – RELATED PARTY TRANSACTIONS

The Board of Directors have authorized the officers of the Company to receive advances from the Company for the foreseeable future, in lieu of taking compensation, under terms of promissory notes bearing 5% interest, beginning January 1, 2006. As of December 31, 2010 and June 30, 2011 the advances totaled \$121,952 and \$120,350, respectively. These advances are described as unpaid capital contributions for financial reporting purposes.

In July and August 2009 the Company issued two notes payable in the collective amount of \$20,000 to a related party. These notes bear interest at a rate of 10%. Principal and interest are due in May 2010. These notes are currently in default and a claim for judgment has been awarded. Management is negotiating a settlement with the noteholder and are unable to determine the outcome as of June 30, 2011.

NOTE 4 – ACCOUNTS PAYABLE

Accounts payable consist of the following:

	12/31/10	6/30/11
Professional Fees	\$8,169	21,350
Legal Fees	58,977	112,184
Consulting Fees	8,200	30,700
Other	3463	2,277
Total	78,809	166,511

NOTE 5 – COMMITMENTS AND CONTINGENCIES

Liabilities for loss contingencies, arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. Recoveries from third parties, which are probable of realization are separately recorded, and are not offset against the related liability, in accordance with FASB No. 39, "Offsetting of Amounts Related to Certain Contracts." The Company is the plaintiff in a lawsuit seeking damages against the law firm retained to file for "EyeTalk" product patent.

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The Company alleges professional malpractice by a patent agent, professional malpractice by attorneys, failure to supervise a non-attorney employee, respondent superior, misappropriation of funds and breach of contract. The outcome of this lawsuit cannot be determined at this time and attorney's fees associated with the lawsuit are contingent upon a successful outcome in this case.

In July and August 2009 the Company issued two notes payable in the total amount of \$20,000. The two notes were later combined at the note holder's request into one note. The note bears interest at a rate of 10%. Principal and interest were due in May 2010. In 2009, the board of directors agreed to guarantee a personal loan to the President of the Company, Mr. Ron Carter of \$75,000 with interest of 10%, by a shareholder. The note became due in November 2010.

On October 5, 2010, the company received notice that a claim for judgment had been filed in Mecklenburg County by a shareholder for the note that was in default as of May 2010. On January 7, 2011, the note holder amended the filing to include the personal loan. The amount of the claim is \$100,996, plus interest at 18% and legal costs. The Company is working to resolve the matter through the court system, but is unable to determine the outcome. On the 10<sup>th</sup> day of May 2011, a summary judgment was entered on behalf of the plaintiff against Mr. Carter and the Company. Mr. Carter and the company are working to resolve the matters and are unable to determine the final outcome until settlement is reached or payment arrangements have been made.

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**NOTE 6 – CAPITAL FINANCING**

The Company, through a Private Placement Memorandum (“PPM”) dated April 24, 2007, raised capital of \$321,100. The PPM offered 642,200 shares of common stock at a price of \$.50 per share. Expenses of this offering, \$18,000, were paid from the proceeds and included legal and accounting expenses, filing fees, printing costs and other offering costs. No commission, discount, finder’s fee or other similar remuneration or compensation was paid, directly or indirectly to any person for soliciting any prospective purchaser. This was a non-contingent offering and there was no minimum number of shares required to be sold, except the minimum of \$1,000 (2,000 shares) per purchaser was required to accredited investors. During 2009, the Company raised \$139,500 in a private placement priced at \$1.25 per share for a total of 111,600 shares and had 10,000 Class A warrants exercised at \$0.65 per share and 10,000 Class B warrants exercised at \$0.90 per share, for 20,000 common shares. During the nine months ending September 30, 2010 the Company had 14,538 Class A warrants exercised at \$0.65 per share and 10,000 Class B warrants exercised at \$0.90 per share, for 24,538 common shares, increasing paid in capital \$18,450. The warrants have now expired and no further warrants may be exercised.

**NOTE 7 – INTELLECTUAL PROPERTY**

The patent number US 7,193644 B2, for the prototype was successfully obtained on March 20, 2007. In accordance with FASB 86, the Company has established a technological feasibility date on July 21, 2004, the date that Phase I was delivered and presented. The software development costs have been analyzed and it has been determined that all software development costs were incurred subsequent to the feasibility date. The useful life of capitalized software costs has been assumed to be 5 years. Total software development costs were \$32,200 and the appropriate minimum amortization has been taken, also in accordance with FASB 86. The following are patent pending applications; Video system for individually selecting and viewing events at a venue. The Detection and viewing system method for providing multiple viewing opportunities of events at a venue. Feeding pacifier with removable fluid source. Mole surveillance system. Medical audio/video communications system. Real estate audio/video monitoring communication system. As of June 30, 2011, the Company has expensed \$88,306 for filing and legal fees related to our patent and patent pending intellectual property.

**NOTE 8 – COMMON STOCK SHARES FOR SERVICES RECEIVED**

There were no shares for services issued during the six months ended June 30, 2011.

**NOTE 9 – CONVERSION OF DEBT TO EQUITY**

On April 24, 2008 the Company issued two notes payable in the amount of \$7,500 to unrelated parties. On May 5, 2008 the Company issued another note payable \$300,000 to another non-related party at 4% interest which began to come due in October, 2008. These promissory notes were secured by a pledge of up to 612,000 shares of restricted common stock from our authorized but unissued shares. The Company has issued 631,000 shares of restricted common stocks to the note holders in exchange for the retirement of debt and interest payable. During November and December 2010, the Company issued 13,517,200 shares of restricted common stock to the note holders in exchange for the retirement of debt and interest payable. To date, these shares have retired \$52,000 in accounts payable.

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**NOTE 10 – NOTES PAYABLE**

Also during 2010, the Company reclassified \$289,787 in accounts payable to long term notes payable in the amount of \$204,836 and \$84,950 to accrued interest payable, to reflect the assignment by some of our creditors of their balance to a note from an investor that will be paid one year or more past the original due date. The \$204,836 of the notes do not bear any interest and begin coming due in July 2011. There was also a note for \$19,705 in 2010 that became due on demand as of June 30, 2011. The notes can be converted to restricted common stock.

For fiscal 2011 year, through June 30, 2011, the Company has issued several notes payable for a total of \$167,694. The notes bear an interest of 10% and begin becoming due starting in January 2013. The notes can be converted to restricted common stock. If a stock conversion is elected, the interest will be forgiven.

In its efforts to expand and grow, the Company has issued debt instruments to borrow funds from various persons and entities to raise capital. These are long-term Notes with various rates and maturities, that grants the Note Holder the right, (but not the obligation), to convert them into common stock of the Company in lieu of receiving payment in cash. The issued Notes are primarily unsecured obligations. The principal amount of the Notes may be prepaid at the option of Maker, in whole or part at any time, together with all accrued interest upon written notice to Holder.

It could take several years to convert all of the Notes to stock if all of the lenders requested it. It's possible that some of the parties may never convert their Notes to stock and may take cash only, when the Company is in the best position to settle the obligation on a cash basis.

**NOTE 11 – GOING CONCERN**

The losses, negative cash flows from operations, and negative working capital deficiency sustained by the Company raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

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**Note 12 – ADDITIONAL AND SUBSEQUENT EVENTS**

On August 4, 2011 the Company converted two of its long term notes payable dated 12/30/10 and 1/15/11, for a total of \$62,205 and issued 12,441,068 restricted common shares for that conversion. No accrued interest was due on the note upon conversion. This conversion of debt reduced our long-term notes payables \$62,205.

On August 4, 2011, the Company issued 276,500 restricted common shares for professional services provided to the Company. The shares will be recorded at the market price on the date of issue \$13,825.

On August 4, 2011, the Company issued 6,800,000 restricted common shares to the officers of the Company, for contributions to the Company over the past year, the shares will be recorded at the market price on the date of issue of \$340,000.

Unless otherwise noted, references in this Form 10-Q to “RCI”, “we”, “us”, “our”, and the “Company” means Revolutionary Concepts, Inc., a Nevada corporation.

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**ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

**Forward-Looking Statements**

*The following discussion and analysis should be read in conjunction with our consolidated financial statements and related notes thereto included elsewhere in this registration statement. Portions of this document that are not statements of historical or current fact are forward-looking statements that involve risk and uncertainties, such as statements of our plans, objectives, expectations and intentions. The cautionary statements made in this registration statement should be read as applying to all related forward-looking statements wherever they appear in this registration statement. From time to time, we may publish forward-looking statements relative to such matters as anticipated financial performance, business prospects, technological developments and similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. All statements other than statements of historical fact included in this section or elsewhere in this report are, or may be deemed to be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Important factors that could cause actual results to differ materially from those discussed in such forward-looking statements include, but are not limited to, the following: changes in the economy or in specific customer industry sectors; changes in customer procurement policies and practices; changes in product manufacturer sales policies and practices; the availability of product and labor; changes in operating expenses; the effect of price increases or decreases; the variability and timing of business opportunities including acquisitions, alliances, customer agreements and supplier authorizations; our ability to realize the anticipated benefits of acquisitions and other business strategies; the incurrence of debt and contingent liabilities in connection with acquisitions; changes in accounting policies and practices; the effect of organizational changes within the Company; the emergence of new competitors, including firms with greater financial resources than ours; adverse state and federal regulation and legislation; and the occurrence of extraordinary events, including natural events and acts of God, fires, floods and accidents.*

*Forward-looking statements involve risks, uncertainties and other factors, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Factors and risks that could affect our results and achievements and cause them to materially differ from those contained in the forward-looking statements include those identified in the section titled “Risk Factors” in the Company’s Annual Report on Form 10-K for the period ended December 31, 2010, as well as other factors that we are currently unable to identify or quantify, but that may exist in the future.*

*In addition, the foregoing factors may affect generally our business, results of operations and financial position. Forward-looking statements speak only as of the date the statement was made. We do not undertake and specifically decline any obligation to update any forward-looking statements.*

**Overview**



We are a development stage company with no history of revenue. We were incorporated as a Nevada corporation on February 28, 2005 to reincorporate and re-domesticate two existing North Carolina entities; Revolutionary Concepts, Inc. and DVMS, LLC for the purpose of developing and marketing camera technologies that enable remote monitoring.

Efforts to date have been devoted to establishing a remote video monitoring system that permits interactive two-way communications called the EyeTalk Communicator (“EyeTalk”). In 2009, we engaged Photonic Discovery/UNC-Charlotte Optoelectronics and Optical Communication to assist in identifying an ideal development partner for the EyeTalk technology. Imaging Solutions Group of Rochester, NY (“ISG”) is the company identified. RCI and ISG have collaborated regarding the development of both the residential and medical applications of the EyeTalk system. Since the implementation of the EyeTalk technology is dependent on various other emerging technologies (smart phone, 3G/4G broadband) the research and development has coincided with the pace of these technologies. The system by design will provide for continuous software development and updates. Software as a Service (SAAS) is a means of recurring revenue and continuous upgrades. Monitoring revenues are also in our company’s plans as another source of recurring revenue.

We have funded our development through three private offerings in 2005, 2007 and 2009. We also borrowed \$307,500 from four non-related parties at 4% interest to fund ongoing operations, and patent new applications. These promissory notes began to become due in October 2008 and were repaid in November 2008 by issuing 630,811 shares of restricted commons stock from authorized shares. In 2010, we partnered with US Financial and Rainco Industries to assist with Investor Relations services and in identifying additional funding sources. This relationship has enabled RCI to achieve a listing with Standard and Poors, approval to trade on the Frankfurt Stock Exchange and the resolution of a portion of our debt.

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**Introduction to the EyeTalk Communicator**

Our company designed and patented a communications and monitoring system which it expects to give users the ability to remotely and interactively monitor and communicate with, and have control of a smart camera in a variety of markets.

The EyeTalk technology is primarily a software platform with a hardware component of an external smart camera deployed at a chosen location. The system offers two-way communication and it streams video to designated PC or handheld devices such as PDA's, smart phones or other smart devices. . The software interface allows the system to offer preprogrammed messages, greeting, commands, etc. The software maintains information captured by the EyeTalk system. Access to the information may be achieved via a Personal Data Assistant (PDA), Handheld Computer (HC), Smart phone, or other compatible device. The EyeTalk software platform will be able to communicate with many of the smartphone and other devices that are currently available in the market place. The company intends to offer solutions that are preemptive and preventative as opposed to reactive and responsive

As a residential application, the EyeTalk system allows seamless communication to a residence allowing the owner to interact remotely with visitors to the home or building via any common personal communication device with the benefit of audio, video and data communication. The system utilizes new technology to synergistically improve communication, security, convenience, messaging, and manage deliveries and guest.

According to US Business Exchange ("USBX"), "iSuppli, a respected technology market research firm, announced this quarter that they project IP video surveillance camera revenue to grow to more than \$9.0 billion by 2011, a compound annual growth rate of 13.2%". Declining cost of new surveillance technology have improved the viability of enhanced security systems while boosting the affordability and demand for basic security systems among families in the middle to lower-middle income strata of society."

Our management believes that the EyeTalk technology will fill the technology gap related to false alarms in the security monitoring industry. Some municipalities no longer respond to calls from alarm companies unless an emergency has been visually verified. Traditional security monitoring companies rarely offer visual verification and therefore cannot visually ascertain that the signal is not a false alarm.

The EyeTalk system also records and archives via data, video and audio records. The system provides a centralized control system using a user-friendly application with a means for storing digital images and provides enhanced security features.

The EyeTalk system does not require wiring from the exterior of the building to its interior however in new construction wired systems are anticipated. Our management believes that the system, when fully implemented, will be relatively inexpensive to install and maintain.

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Our management expects the EyeTalk to provide three primary benefits:

**Preemptive Notification**– EyeTalk may augment the capabilities of current residential and commercial security monitoring systems through audio, video and data communication which are interactive and which can be used on a remote basis. Designed to be an entry management system, EyeTalk will address a variety of events.

**Monitoring** – The EyeTalk will allow the user to better facilitate the task of entry management allowing the user to maintain better control and understanding of what is going on at any given location or property .

**Convenience** – The EyeTalk may add convenience to home and business owners, providing remote access, screening of visitors and acceptance and monitoring of packages.

The EyeTalk has four distinct physical parts:

- an internal unit(s) (the ‘Indoor Mobile Monitor’)
- an external unit(s) (the ‘Smart Camera EyeTalk Technology)
- a Central Application Server which may be a home personal computer (“PC”)
- a remote access device, typically a standard smart phone or other compatible smart device

The EyeTalk system is expandable to include multiple peripheral devices. The main components of the system (the Indoor Mobile Monitor, the Smart Camera and the Central Application Server) communicate with each other by way of RF communications using 802.11b or higher wireless LAN. The Central Application Server will communicate with the remote access device by way of a dial-up modem connection, DSL, cable modem or other Internet-compatible method of communication.

## **INDUSTRY**

The United States security services have generally divided the market into the following segments: security officer and investigation services, armored car services, monitoring services, and consulting. Security officer and investigation services are the oldest and largest segment of the security industry.

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According to the USBX 2006 Year End Security Update the network camera video segment of the security industry is valued at \$7 Billion annually and has experienced a 20% annual growth rate. While noting that the public market support for the segment has remained strong and actually led all security industry segments in 2007, hardware and software costs have shrunk which has pressured margins in the industry. According to USBX, “iSuppli, a respected technology market research firm, announced this quarter that they project IP video surveillance camera revenue to grow to more than \$9.0 billion by 2011, a compound annual growth rate of 13.2%”

The USBX 2006 Year End Security Update report notes that each vertical market has differing applications but banking, gaming and inventory control are the premier growth applications. An estimated \$45 billion annually is lost in inventory shrinkage and bank fraud and network camera video is often at the forefront of industry efforts.

USBX also published a separate “white paper” in 2006 entitled “The Security Killer App: Intelligent Video Surveillance.” The white paper cites John Chambers, CEO of Cisco Systems and notes major contracts including \$255 Million from Lockheed Martin for video of New York City subways and \$2.5 Billion from Boeing to secure U. S. borders. The paper focuses on quickly developing vertical markets for intelligent video in retail, banking and financial and public safety and transit sectors.

Our management believes that the EyeTalk technology significantly differs from existing systems. The EyeTalk allows two way communication via a wireless smart camera that communicates with a variety of other remote communication devices such as smart phones, PDAs, smart devices, computers, security and video monitoring devices. Supported by its software interface the EyeTalk system can be used to greet visitors, provide instructions to delivery personnel, interact between remote staff and patients in medical settings, as well as in security applications.

We plan to introduce a Smart Camera technology unlike any other, utilizing a robust user and client interface that will enable the camera technology to act independently. Further, the EyeTalk allows security owners monitoring personnel to more accurately recognize and address the threat presented as well as verifying a true threat. We believe this will relieve the large number of false alarm security calls and unneeded emergency personnel visits. Our management contends that, unlike many competitors the EyeTalk system is not dependent on the internet although it can use the internet as a platform.

The communication can be initiated by a broad array of technologies, such as doorbells, glass breakage, heat or motion detectors, weapons detectors, biometric signaling or voluntarily. The EyeTalk is programmed to manage most events with standard greetings, identifications, commands, or directions. The EyeTalk can then notify designated personnel of the triggered event, sending images of the current situation and permitting audible response.

We expect to compete by emphasizing the unique aspects of the EyeTalk technology in its marketing directly to distributors and end users. We also intend to compete by direct contact with larger end users such as hospitals, banks, and government agencies concerned with homeland security.

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**Future Plans and Potential Markets**

Our management believes it has the capability to enter into a growing security marketplace. We are hopeful that the security industry will continue to experience increased spending on detection devices such as the EyeTalk for the residential, commercial, institutional, medical and homeland security markets. EyeTalk's ability to shift detection to a preemptive and preventive solution we anticipate will give the EyeTalk technology a clear competitive advantage.

Our management also believes the EyeTalk has advantages over existing and competing technologies. Many of these applications may not relate to the security field at all, but may nonetheless be commercially useful. The additional commercial benefits of the EyeTalk include:

- monitors appointments
- monitors deliveries
- records employee arrivals and departures
- provides remote access
- provides a database of activity to and from a facility

Our management also expects to identify additional companies that may be interested in licensing arrangements for sales to consumers. It believes the EyeTalk provides consumers with the functions and features that are superior to those currently available and offered by competitors. These include:

- allows the occupant to view, record or respond to visitors or guests without opening the door or even being in the home
- detects a visitor, providing a measure of convenience to guests who no longer need to search for and activate a doorbell button
- allows remote access to visitors by the owner/occupant of the building
- allows deliveries to be made and monitored while the owner of the home is away from the premises
- detects intruders, allowing for an immediate response from the property owner
- serves as a deterrent to criminals whose entry can be chronicled by the system and who cannot determine if persons are at home or not because of the nature of the remote interaction system.
- functions as a recordkeeping database of all visitors to the home, welcomed or un-welcomed, with date, time and photographic records.
- alerts the owner of a power outage at the facility.

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Our management plans to use the following business development strategies:

- 1) Use internal contacts in the local medical community to negotiate placement in hospital patient rooms, senior living rooms, recovery rooms and other medical applications.
- 2) Arrange a schedule of appearances at security industry trade shows and presentations to trade groups.
- 3) Continue development of phase one of our contract with Photonic Discovery/UNC-Charlotte Optoelectronics and Optical Communication

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**Sales Strategy**

We plan to acquire an existing security provider with established industry recognition in sales and service. The EyeTalk technology sales will be integrated into the ongoing operation of the security provider/new entity. This will enable to develop the technology, train installers and provide a turn-key service to end users. In expanding sales opportunities the product brand will be promoted via marketing, advertising and the website. Staff installers will be positioned to provide training to various resellers.

- Direct Selling
- Consumers, Internet, other direct marketing methods
- Multi-Tiered Distribution
- Existing security companies
- Determined by Market Size
- Determined by Geography
- Identification of Vertical Markets Rapid revenue growth in the shortest possible timeframe
- Sales leverage through different, but proven, sales and marketing techniques.
- Geographically, the initial focus will be on the North American and European marketplaces.
- The next two major markets will be Latin America and Asia, including Australia.

To date, our management has delayed the commercialization phase, due to its efforts to improve upon the application of the hardware and software and due to awaiting further development of wireless broadband technology to increase sufficiently to allow seamless video transmission and audio more efficiently.

**Patent and Intellectual Property**

On March 20, 2007, the United States Patent and Trademark Office issued to our company a patent, number 7,193,644 B2. The patent abstract states:

“The invention is audio-video communication and answering system that synergistically improves communication between an exterior and an interior of a business or residence and a remote location, enables messages to be stored and accessed from both locally and remotely, and enables viewing, listening, and recording from a remote location. The

system's properties make it particularly suitable as a sophisticated door answering-messaging system. The system has a DVMS module on the exterior. The DVMS module has a proximity sensor, a video camera, a microphone, a speaker, an RF transmitter, and an RF receiver. The system also has a computerized controller with a graphic user interface DVMS database application. The computerized controller is in communication with a public switching telephone network, and an RF switching device. The RF switching device enables communication between the DVMS module and the computerized controller. The RF switching device can be in communication with the other RF devices, such as a cell phone, PDA, or computer.”

A complete copy of the patent is on file at our offices and can be inspected.

In March, 2007, we commenced a lawsuit in the Superior Courts of Mecklenburg County, North Carolina against its prior patent attorneys. The lawsuit alleges that we retained these attorneys and requested that they file a Non-publication Request (“the Request”) pursuant to 35 U.S.C. § 122, in order to ensure that the Application would not be published by the United States Patent & Trademark Office (“USPTO”) until issued as a patent. The lawsuit further alleges that the attorneys failed to file the Request.

The purpose of the Request was for international patent rights under procedures established by the Patent Cooperation Treaty and U.S. law implementing that treaty. By virtue of the publication of the Application in the United States without the filing of a corresponding PCT or other foreign application relating back to a date before the date of publication, one or more requirements of patentability in certain advantageous foreign jurisdictions, including the European Union, Japan, and others, to wit the absolute public novelty of the invention, can no longer be fulfilled by the Company.

We believe our claims have merit in the lawsuit. We are unable to determine what rights it may still have, if any, to patent or intellectual property protection in other jurisdictions.

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**COMPETITION**

We expect to compete with much larger and better financed companies in the remote monitoring industry, all of which have superior name recognition, such as ADT, ATT, Pinkerton's and others. RCI owns the patent by which many of the aforementioned companies will be dependent upon and "MAY" already be infringing in some manner

Remote monitoring is available through a variety of media and processes, including systems integrators, closed circuit television systems, intrusion detection systems, and others. These systems typically incorporate ultrasonic, infrared, vibration, microwave and other sensors to detect door and window openings, glass breakage, vibration, motion, temperature, and noise and transmit through alarms and other peripheral equipment.

For example, the ATT remote monitor integrates with Cingular and Yahoo through cell phones and wireless internet. The user can remotely select the device and determine whether notification will be triggered by door sensors, motion sensors, temperature sensors or a combination. The user can remotely control cameras with pan, tilt and zoom features. The user can download and record or view live camera. The EyeTalk system provides similar capabilities; however with two-way communication and a programmable software interface enabling the system to effectively manage itself if the user desires.

Industry analysts report that both Cisco and IBM are developing new hardware and software applications for remote monitoring that, if successful, could have profound implications for the industry.

**Regulation**

We are subject to the same federal, state and local laws as other companies conducting business in the software field. Our products are subject to copyright laws. We may become the subject of infringement claims or legal proceedings by third parties with respect to its current or future products. In addition, we may initiate claims or litigation against third parties for infringement of its proprietary rights, or to establish the validity of our proprietary rights. Any such claims could be time-consuming, divert management from our daily operations, result in litigation, cause product delays or lead us to enter into royalty or licensing agreements rather than disputing the merits of such claims. Moreover, an adverse outcome in litigation or a similar adversarial proceedings could subject us to significant liabilities to third parties, require the expenditure of significant resources to develop non-infringing products, require disputed rights to be licensed from others or require us to cease the marketing or use of certain products, any of which could have a material adverse effect on our business and operating results.

**RESULTS OF OPERATIONS**

**RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 COMPARED TO THE THREE AND SIX MONTHS ENDED JUNE 30, 2010**

**Operating Expenses** Although we have not begun generate revenues, our total operating expenses increased to \$267,307 from \$23,416 for the three months ended June 30, 2011 and 2010, respectively as compared to \$482,065 and \$43,020 for the six months ended June 30, 2011 and 2010, respectively. This increase is primarily attributable to increased unpaid accrued compensation, professional fees and legal fees accumulated for protecting our patent and patents pending.

**Net Loss.** Our net loss increased to \$271,487 from \$22,984 for the three months ended June 30, 2011 and 2010, respectively as compared to \$486,772 and \$41,240 for the six months ended June 30, 2011 and 2010, respectively. Once again attributable primarily to increases in unpaid accrued compensation, professional fees and legal fees accumulated for protecting our patent and patents pending.

**Assets.** Assets decreased by \$4,783 to \$11,359 at the period ended June 30, 2011, from \$16,142 at the year ending December 31, 2010. This decrease was primarily due to depreciation and amortization.

**Liabilities.** Total liabilities increased by \$480,387 to \$1,146,018 or the period ended June 30 2011, from \$665,631 for the year ended December 31, 2010. This decrease is primarily attributable the increase in accounts payable, accrued unpaid compensation and long-term notes payable.

**Stockholders' Deficit.** Stockholders' deficit increased by \$485,170 to \$1,134,659 for the period ended June 30, 2011 from \$649,489 for the year ended December 31, 2010. The increase was due primarily to continuing losses from operations \$271,487.

**Liquidity and Capital Resources**

**General. Our** primary sources of cash have been sales of common stock through private placements and loans from affiliates. We are a developmental stage company moving from R & D to the initial stages of development. The transition from R & D to development and production requires a greater focus on operations, product infrastructure, distribution and channel partners and industry alliances. Over the next 6 - 12 months, we will be looking for the ideal acquisitions that will enable our company to take advantage of an existing customer base. Our management will also pursue appropriate Letter of Intents and Joint Ventures that will position our company to move its products into these ventures when successful production is completed.

Prior relationships with companies discussed in previous filings have been terminated. We are not involved with any of those companies that were very instrumental during the Research and Development stages, but are no longer engaged. We have engaged SIS Development as consulting technical officials for product development. SIS Development will assist RCI in identifying the necessary contracts and relationships moving forward. Additionally, industry expertise and consultation is being provided by advisors in the industry.

Overall, we had a net increase in cash of \$671 for the period period ended June 30, 2011 over the prior year period amount of \$0,.

**Cash Flows from Operating Activities.** Net cash provided by operating activities was \$93,016 for the period ended June 30, 2011 compared to \$ (78,201) for period ended June 30, 2010 is primarily attributable to the increase in accounts payable and accrued expenses and a continuing net operating loss.

**Cash Flows from Investing Activities.** There was no net cash used by investing activities for the ended period ended June 30, 2011 and June 30, 2010.

**Cash Flows from Financing Activities.** Net cash used in financing activities was \$92,529 for the period ended June 30, 2011 compared to cash provided by financing activities of \$78,201 for the period ended June 30, 2010 and is attributable to the decrease in notes payable of \$142,735 and an increase in notes payable of \$48,604.

#### **Additional Information**

We file reports and other materials with the Securities and Exchange Commission. These documents may be inspected and copied at the Commission's Public Reference Room at Room 1580, 100 F Street, N.E., Washington, D.C. 20549. You can obtain information on the operation of the Public Reference Room by calling the Commission at 1-800-SEC-0330. You can also get copies of documents that we file with the Commission through the Commission's Internet site at [www.sec.gov](http://www.sec.gov).

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**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Not Applicable.

**Item 4. Controls and Procedures**

As of the end of the period covered by this report, Revolutionary Concepts, Inc. management, including the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(e). Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that such disclosure controls and procedures are effective in alerting them on a timely basis to material information relating to Revolutionary Concepts required to be included in Revolutionary Concepts' periodic filings under the Exchange Act.

**Evaluation of Disclosure Controls and Procedures.**

Our principal executive officer and our principal financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (Exchange Act), as of the last day of the fiscal period covered by this report, June 30, 2011. The term disclosure controls and procedures means our controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2011.

**Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II - OTHER INFORMATION**

**ITEM 1. LEGAL PROCEEDINGS**

RCI is currently involved in a lawsuit in state court regarding legal malpractice. RCI has sued its former law firm for legal malpractice regarding the handling of RCI's foreign patent rights. The Defendants moved to have the suit dismissed, claiming that the state court did not have jurisdiction to hear the case. The Court ruled in favor of RCI, and the Defendants appealed the ruling.

The North Carolina Court of Appeals has issued its opinion in *Revolutionary Concepts, Inc. v. Clements Walker PLLC*. The three-judge panel unanimously voted to dismiss the appeal and return the case to the North Carolina Business Court for further proceedings.

RCI also sued Emmanuel Ozoeneh in federal court. Ozoeneh was a former business partner in a prior business venture with CEO Ron Carter. Ozoeneh began making false claims that he was the inventor of the EyeTalk system. RCI filed suit in federal court to have Carter declared the sole inventor. This case has been resolved to the satisfaction of RCI. The terms of the agreement are confidential, but the result was that Ronald Carter and RCI were declared as the sole inventor and retains all rights to the patent(s) for the EyeTalk system.

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ITEM 1A. RISK FACTORS

Refer to our “Risk Factors” in our Registration Statement on Form S-1 and our Form 10-K/A for the period ended December 31, 2010 (SEC File Number 000-53674) on the website at [www.sec.gov](http://www.sec.gov)

ITEM 2. UNREGISTERED SALES OF EQUITY AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. (REMOVED AND RESERVED)

ITEM 5. OTHER INFORMATION

On June 14, 2011, Mr. Claude McDougal submitted his resignation from the Board of Directors, for personal reasons. The Board accepted the resignation on June 17, 2011. On June 20, 2011, the Board approved and appointed Ms. Judith Bentley to replace Mr. McDougal on the Board of Directors.

Ms. Bentley’s biography is as follows:

Judith is currently working with U.S. Financial Capital Management, LLC with duties that include day-to-day business operations, significant President, CEO and Client interaction, review of contracts, and ongoing client meetings. Ms. Bentley has more than 25 years of Administrative and office management experience including hands on experience in logistics, operations, research, project and program management, and has worked with U.S. Financial Capital Management, LLC since November, 2009.



Prior to relocating to Charlotte, Judith worked as Project Coordinator and Executive Assistant with Pitney Bowes Corporate Headquarters in Stamford Connecticut, where she supported the Corporate Legal, IP, Communications, Diversity, Research, and Marketing Departments forecasting and managing a yearly budget in excess of \$15M and working independently with more than 50 vendors across five corporate channels, including corporate marketing, corporate communications, corporate research, corporate diversity and community outreach. Ms. Bentley also served as the point of contact for Corporate Crisis Management where she was directly responsible for website content and graphic highlights serving as crisis management update to all Pitney Bowes employees worldwide. She began her employment with Pitney Bowes in 1999 until her relocation to Charlotte, North Carolina in 2008.

Ms. Bentley's significant career accomplishment while she was in the U.S. Military. As the Battalion's Legal Clerk she developed and produced the Battalion's legal Standard Operations Procedure Policy Manual (SOP) for a newly created Unit with 7 outlying companies throughout Germany, directly charting all legal procedures including military court martial and discharges, and is still being used to date.

Ms. Bentley attended the Warren Harding High School, Norwalk Technical College and Phoenix University and soon will complete and attain her dual Bachelor's degree in Office Management and Legal Studies. Her leadership style is – "set an example that mirrors the words you utter dispensing compassion and sincerity along the way."

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ITEM 6. EXHIBITS

Exhibit No. Description

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1\* Articles of Incorporation

3.2\* Bylaws

4.1\* Form of Stock Certificate

4.2\* Form of Class A Warrant Certificate

4.3\* Form of Class B Warrant Certificate

4.4\* Warrant Agreement

10.1\* Agreement with Absolutely New

10.2\* Agreement with Dr. Jones

10.3\* Agreement with Tillman Wright

10.4\* Agreement with JDSL

10.7\* Consulting Agreement with Sedgefield Capital

10.8\* Additional Services Agreement with Sedgefield Capital

14.1\* Code of Ethics

31.1 Sec. 302 Certification of Principal Executive Officer

31.2 Sec. 302 Certification of Principal Financial Officer

32.1 Sec. 906 Certification of Principal Executive Officer

32.2 Sec. 906 Certification of Principal Financial Officer

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\* Exhibits are incorporated by reference and can be found in its entirety in our Registration Statement on Form S-1 and our Form 10-K/A for the period ended December 31, 2010, (SEC File Number 000-53674) on the website at [www.sec.gov](http://www.sec.gov)

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SIGNATURES

Pursuant to the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf in Charlotte, NC, by the undersigned, thereunto duly authorized.

August 22, 2011 Registrant: Revolutionary Concepts, Inc.

By: /s/ Ronald Carter

Ron Carter, Director, Chief Executive Officer

(Principal Executive Officer)

By: /s/ Garry Stevenson

Garry Stevenson, Director, Vice President, and Chief Financial Officer

(Officer and Principal Accounting Officer)