INTERNATIONAL COMMERCIAL TELEVISION INC

FORM 10-Q
(Quarterly Report)

Filed 11/14/11 for the Period Ending 09/30/11

Address	489 DEVON PARK DRIVE SUITE 315 WAYNE, PA 19087
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Sector	Services
Fiscal Year	12/31

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

FORM 10-Q

Mark One

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

For the quarterly period ended September 30, 2011

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

For the transition period from _______ to _______

Commission file number: 0-49638

INTERNATIONAL COMMERCIAL TELEVISION INC.

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

Nevada	76-0621102
State or other jurisdiction of incorporation or organization	(IRS Employer Identification No.)

487 Devon Park Drive, Suite 212 Wayne, PA 19087
(Address of principal executive offices)

(206) 780-2921
(Issuer's telephone number)

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 past 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 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", and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐

Non - accelerated filer ☐ (Do not check if smaller reporting company) Smaller reporting company ☒

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

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of November 11, 2011, the Issuer had 18,007,756 shares of common stock, par value $0.001 per share, issued and outstanding.

Transitional Small Business Disclosure Format (Check one): Yes ☐ No ☒

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED BALANCE SHEETS
AS OF

	September,30 2011 (Unaudited)	December 31, 2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 88,542	$ 158,482
Restricted cash	1,473	2,060
Accounts receivable, net of doubtful account reserves of $623 and $1,801, respectively	56,791	75,805
Inventories	619,208	526,821
Prepaid expenses and deposits	97,901	46,674
Total current assets	863,915	809,842
Furniture and equipment	183,117	183,117
Less accumulated depreciation	159,345	148,776
Furniture and equipment, net	23,772	34,341
Total assets	$ 887,687	$ 844,183
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 651,459	$ 621,687
Accounts payable - related parties	40,859	30,859
Severance payable-short term	80,400	153,333
Deferred revenue	107,119	32,698
Tax penalties payable	260,000	260,000
Note payable to shareholder	590,723	590,723
Total current liabilities	1,730,560	1,689,300
Long-term severance payable	99,200	110,000
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' DEFICIT:		
Preferred stock 20,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, $0.001 par value, 100,000,000 shares authorized authorized, 18,007,756 and 15,547,179 shares issued and outstanding as of September 30, 2011 and December 31, 2010,2010, respectively	7,909	5,448
Additional paid-in-capital	5,452,002	5,257,293
Accumulated deficit	(6,401,984)	(6,217,858)
Total shareholders' deficit	(942,073)	(955,117)
Total liabilities and shareholders' deficit	$ 887,687	$ 844,183

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	For the three months ended		For the nine months ended	
	September 30, 2011	September 30, 2010	September 30, 2011	September 30, 2010
NET SALES	$ 744,299	$ 881,459	$ 1,963,679	$ 3,103,824
COST OF SALES	325,309	305,061	983,919	1,609,660
GROSS PROFIT	418,990	576,398	979,760	1,494,164
OPERATING EXPENSES:				
General and administrative	296,054	684,194	889,609	1,747,312
Selling and marketing	79,121	86,991	274,285	334,326
Total operating expenses	375,175	771,185	1,163,894	2,081,638
OPERATING INCOME (LOSS)	43,815	(194,787)	(184,134)	(587,474)
INTEREST INCOME	-	101	8	359
NET INCOME (LOSS)	43,815	(194,686)	(184,126)	(587,115)
BASIC AND DILUTED NET INCOME (LOSS) PER SHARE	0.00	(0.01)	(0.01)	(0.04)

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011

(unaudited)

	Common Stock $0.001 par value		Additional Paid-In	Accumulate d	
	Shares	Amount	Capital	Deficit	Totals
Balances, January 1, 2011	15,547,179	$ 5,448	$ 5,257,293	$ (6,217,858)	$ (955,117)
Share based compensation expenses	-	-	38,876	-	38,876
Shares issued as part of BBI acquisition	500,000	500	(500)	-	-
Exercise of warrants	168,649	169	16,696	-	16,865
Issuance of common stock	1,291,928	1,292	127,712	-	129,004
Issuance of common stock for consulting services	500,000	500	3,111	-	3,611
Issuance of warrants for consulting services	-	-	8,814	-	8,814
Net loss	-	-	-	(184,126)	(184,126)
Balances, September 30, 2011	18,007,756	$ 7,909	$ 5,452,002	$ (6,401,984)	$ (942,073)

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010

(Unaudited)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (184,126)	$ (587,115)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	10,569	10,755
Share based compensation	51,301	-
Change in assets and liabilities		
Accounts receivable	19,014	(26,156)
Inventories	(92,387)	446,115
Prepaid expenses and other current assets	(51,227)	(6,107)
Accounts payable and accrued liabilities	29,772	(256,248)
Severance payable	(83,733)	262,080
Deferred revenue	74,421	(88,730)
Net cash used in operating activities	(226,396)	(245,406)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock	129,004	-
Proceeds from exercised warrants	16,865	
Advances from related parties	40,000	-
Payments to related parties	(30,000)	(708)
Net cash provided by (used in) financing activities	155,869	(708)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(70,527)	(246,114)
CASH AND CASH EQUIVALENTS, beginning of the period	160,542	376,495
CASH AND CASH EQUIVALENTS, end of the period	$ 90,015	$ 130,381

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2011 and September 30, 2010
(Unaudited)

Note 1 - Organization, Business of the Company and Liquidity

Organization and Nature of Operations

International Commercial Television Inc., (the "Company" or "ICTV") was organized under the laws of the State of Nevada on June 25, 1998.

Strategic Media Marketing Corp. ("SMM") was incorporated in the Province of British Columbia on February 11, 2003 and has a December 31 fiscal year-end. Effective February 7, 2011, SMM offices were closed down and the subsidiary was dissolved. Operations performed by SMM are now being managed out of our office.

Effective February 17, 2011, the Company acquired 100% of the equity interest in Better Blocks International Limited ("BBI"), see Note 7.

The Company sells various consumer products. The products are primarily marketed and sold throughout the United States and internationally via infomercials. Although our companies are incorporated in Nevada and British Columbia, operations are currently run from Washington State, Pennsylvania, and British Columbia.

Liquidity and Going Concern

The accompanying condensed consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company generated negative cash flows from operating activities in the nine month period ended September 30, 2011 of approximately $226,000, and the Company, for the most part, has experienced recurring losses from operations. The Company had a negative working capital of approximately $867,000 and an accumulated deficit of approximately $6,402,000 as of September 30, 2011.

Although we currently sell our products primarily through infomercials, the goal of our business plan is to use the brand awareness we create in our infomercials to sell our products (along with additional line extensions) under distinct brand names in traditional retail stores. Our objective is to have these families of products sold in the traditional retail environment in shelf-space dedicated to the product category. We are developing the infrastructure to create these brands of products so that we can implement our business plan.

There is no guarantee that the Company will be successful in bringing our products into the traditional retail environment. If the Company is unsuccessful in achieving this goal, the Company will be required to raise additional capital to meet its working capital needs. If the Company is unsuccessful in completing additional financings, it will not be able to meet its working capital needs or execute its business plan. In such case the Company will assess all available alternatives including a sale of its assets or merger, the suspension of operations and possibly liquidation, auction, bankruptcy, or other measures. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The accompanying condensed consolidated financial statements do not include any adjustments relating to the recoverability of the carrying amount of recorded assets or the amount of liabilities that might result should the Company be unable to continue as a going concern.

Note 2 - Summary of significant accounting policies

Basis of Presentation

The unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial statements and within the rules of the Securities and Exchange Commission applicable to interim financial statements and therefore do not include all disclosures that might normally be required for financial statements prepared in accordance with generally accepted accounting principles. The accompanying unaudited condensed consolidated financial statements have been prepared by management without audit and should be read in conjunction with our consolidated financial statements, including the notes thereto, appearing in our Annual Report on Form 10-K for the year ended December 31, 2010. In the opinion of management, all adjustments necessary for a fair presentation of the consolidated financial position, consolidated results of operations and consolidated cash flows, for the periods indicated, have been made. The results of operations for the three and nine months ended September 30, 2011 are not necessarily indicative of operating results that may be achieved over the course of the full year.

Concentration of credit risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, include cash and trade receivables. The Company maintains cash in bank accounts that, at times, may exceed federally insured limits. As of September 30, 2011, the Company did not exceed the federally insured limit in its investment savings. The Company has not experienced any losses and believes it is not exposed to any significant risks on its cash in bank accounts. As of September 30, 2011, 11% of the Company's accounts receivable were due from various individual customers to whom our products had been sold directly via Direct Response Television; the remaining 89% of the Company's accounts receivable were due from four wholesale infomercial operators and televised shopping networks. For the three and nine months ended September 30, 2011, approximately 58% and 61% of the Company's gross sales were made to two and two major customers, respectively. Major customers are considered to be those who accounted for more than 10% of net sales. The aggregate accounts receivable balances for these two customers at September 30, 2011 was approximately $55,000 For the three and nine months ended September 30, 2010, approximately 76% and 60% of the Company's gross sales were made to two and two major customers, respectively.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles of the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Management believes that the estimates utilized in preparing its consolidated financial statements are reasonable and prudent. Actual results could differ from these estimates.

Note 2 - Summary of significant accounting policies (continued)

Restricted Cash

Transfirst ePayment Services ("Transfirst"), ICTV's credit card processing vendor for VISA and Mastercard transactions in the United States, maintains a reserve fund within our processing account to cover all fees, charges, and expenses due them, including those estimated for possible customer charge backs. These reserves are updated periodically by Transfirst and maintained for a rolling 180 days of activity. Based upon established levels of risk, this normally represents approximately 2% of transaction volume for the period, and is considered as "Restricted Cash". At September 30, 2011 and December 31, 2010 the amount of Transfirst reserves were approximately $1,000 and $2,000 respectively.

Accounts receivable

Accounts receivable are recorded net of allowances for returns and doubtful accounts of approximately $20,000 at September 30, 2011 and $7,000 at December 31, 2010, respectively. The allowances are calculated based on historical customer returns and bad debts.

In addition to reserves for returns on accounts receivable, an accrual is made against returns for product that has been sold to customer for which cash has been collected; however, the customer still has the right to return the product. The amounts of these accruals included in accounts payable and accrued liabilities in our condensed consolidated Balance Sheets were approximately $43,000 at September 30, 2011, and $9,000 at December 31, 2010.

Furniture and equipment

Furniture and equipment are carried at cost and depreciation is computed over the estimated useful lives of the individual assets ranging from 3 to 7 years. Depreciation is computed using the straight-line method. The related cost and accumulated depreciation of assets retired or otherwise disposed of are removed from the accounts and the resultant gain or loss is reflected in earnings. Maintenance and repairs are expensed currently while major renewals and betterments are capitalized.

Depreciation expense amounted to approximately $3,500 and $3,600 and $10,600 and $10,800 for the three and nine months ended September 30, 2011 and 2010, respectively.

Note 2 - Summary of significant accounting policies (continued)

Revenue recognition

For our domestic direct response television sales generated by our infomercials, product sales revenue is recognized when the following criteria are met: persuasive evidence of an arrangement exists, delivery has occurred, the selling price is fixed or determinable, and collectability is reasonably assured. The Company's revenues in the condensed consolidated Statement of Operations are net of sales taxes.

The Company offers a 30-day risk-free trial as one of its payment options. Revenue on the 30-day risk-free trial sales is not recognized until customer acceptance and collectability are assured which we determine to be when the trial period ends. If the risk-free trial expires without action by the customer, product is determined to be accepted by the customer and revenue is recorded. Revenue for items purchased without the 30-day free trial is recognized upon shipment of the product to the customer and collectability is assured.

The Company entered into an exclusive distribution agreement with Allstar Marketing ("Allstar") in May 2009. As part of the agreement with Allstar the Company received non-refundable royalty advances which were booked as deferred revenue until Allstar sold DermaWands. Allstar is required to provide ICTV with monthly royalty statements per the contract within 30 days of the end of each month. The Company records revenue in the month goods were sold per the Allstar royalty statements.

In March 2010, the Allstar agreement was terminated and the Company retained the exclusive distribution rights for the DermaWand. Upon termination of the contract, the Company recognized the remaining non-refundable royalty advances that were previously booked in deferred revenue. The Company recognized $0 and $0 and $0 and $94,000 in revenue related to the Allstar agreement in the three and nine months ended September 30, 2011 and 2010, respectively.

Revenue related to international wholesale customers is recorded at gross amounts with a corresponding charge to cost of sales upon shipment.

The Company has a return policy whereby the customer can return any product received within 30 days of receipt for a full refund excluding shipping and handling. However, historically the Company has accepted returns past 30 days of receipt. The Company provides an allowance for returns based upon past experience. All significant returns for the periods presented have been offset against gross sales.

Shipping and handling

Amounts billed to a customer for shipping and handling are included in revenue; shipping and handling revenue approximated $5,000 and $3,500 and $13,000 and $7,700 for the three and nine months ended September 30, 2011 and 2010, respectively. Shipping and handling costs are included in cost of sales. Shipping and handling costs approximated $27,000 and $39,000 and $105,000 and $132,000 for the three and nine months ended September 30, 2011 and 2010, respectively.

Note 2 - Summary of significant accounting policies (continued)

Media and production costs

Media and production costs are expensed as incurred and are included in selling and marketing expense in the accompanying condensed consolidated financial statements. The Company incurred approximately $17,000 and $18,000 and $93,000 and $40,000 in such costs for the three months and nine ended September 30, 2011 and 2010, respectively. The Company has approximately $57,000 and $0 included in prepaid expenses and deposits as of September 30, 2011 and December 31, 2010, respectively, related to prepaid infomercial production costs for which the infomercial has not yet aired.

Stock options

The Company has adopted an incentive stock option plan ("Plan"). The purpose of this Plan is to provide additional incentives to key employees, officers, directors and consultants of the Company and its subsidiary in order to help attract and retain the best available personnel for positions of responsibility and otherwise promoting the success of the business activities. The maximum term of options granted is 10 years and the number of shares authorized for grants of options is 3,000,000.

The Company uses ASC ("Accounting Standards Codification") Topic 718, "Share-Based Payments", to account for stock-based compensation. The Company recognizes compensation expense in an amount equal to the fair value of share-based payments such as stock options granted to employees over the requisite vesting period of the awards. Stock options granted to non-employees are remeasured at each reporting period.

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2011 and September 30, 2010
(Unaudited)

Note 2 - Summary of significant accounting policies (continued)

Stock options (continued)

The following is a summary of stock options outstanding under the existing stock option plan for the nine months ended September 30, 2011 and 2010:

	Number of Shares			Weighted Average Exercise Price
	Employee	Non-Employee	Totals	
Balance, January 1, 2011	-	657,000	657,000	$ 2.00
Granted during 2011	1,300,000	350,000	1,650,000	0.08
Exercised during the year	-	-	-	-
Expired during the year	-	(657,000)	(657,000)	(2.00)
Cancelled during the year	-	-	-	-
Balance, September 30, 2011	1,300,000	350,000	1,650,000	$ 0.08

	Number of Shares			Weighted Average Exercise Price
	Employee	Non-Employee	Totals	
Balance, January 1, 2010	-	817,000	817,000	$ 1.68
Granted during 2010	-	-	-	-
Exercised during the period	-	-	-	-
Cancelled during the period	-	-	-	-
Balance, September 30, 2010	-	817,000	817,000	$ 1.68

There were 350,000 and 1,650,000 stock options granted under the existing stock option plan during the three and nine months ended September 30, 2011, respectively. Of the stock options currently outstanding, 58,333 options are currently vested and exercisable. The weighted average exercise price of these options was $0.08. These options expire in February 2021. The aggregate intrinsic value for options outstanding and exercisable at September 30, 2011 and 2010 was immaterial.

Note 2 - Summary of significant accounting policies (continued)

Stock options (continued)

During the nine months ended September 30, 2011, 1,650,000 options were granted to employees and consultants. For the three and nine months ended September 30, 2011, the Company recorded approximately $17,000 and $39,000 in stock compensation expense and approximately $148,000 of total unrecognized compensation cost related to non-vested option grants that will be recognized over the remaining vesting period. The exercise price for the options granted was $0.0828 per share and the options have a 3 year vesting period.

The Company used Black Scholes model to value the 1,650,000 of options granted using the following assumptions:

Risk-free interest rate	1.92% - 3.03%
Expected dividend yield	0.00
Expected life	6 – 10 years
Expected volatility	313.16% - 340.25%
Exercise price	$0.0828

The weighted average grant date value of these options was $0.13.

Note 3 - License and reconveyance agreements

Effective April 1, 2000, the Company entered into a License and Reconveyance Agreement with Windowshoppc.com Limited (“WSL”) and R.J.M. Ventures (“RJML”). These agreements are royalty-free. WSL and RJML owned or had rights in certain intellectual properties that were transferred or assigned to ICTV during 2003. Accordingly, WSL and RJML granted all production rights, proprietary rights, inventory, development rights, tangible assets, licenses and any assets or rights to the Company. The Company has the right to further develop and enhance the intellectual properties as the Company sees fit.

Note 4 - Commitments and contingencies

Leases

As of September 30, 2011, the Company had one active lease related to the office space rented in Wayne, Pennsylvania. Total rent expense incurred during the three and nine months ended September 30, 2011 and 2010 was $10,217 and $16,542 and $30,251 and $46,127, respectively. During the period ended September 30, 2011, the Company renewed its lease at the Wayne, Pennsylvania location with lower monthly rent payments. The schedule below details the future financial obligations under the lease.

	2011	2012	2013	2014	2015	2016	TOTAL OBLIGATION
Wayne - Corporate HQ	**$ 8,075**	**$ 8,075**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 16,150**
Total Lease Obligations	**$ 8,075**	**$ 8,075**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 16,150**

DermaWand ™

On October 15, 1999, WSL entered into an endorsement agreement with an individual for her appearance in a DermaWand infomercial. On July 11, 2001, the agreement was amended to include a royalty payment for each unit sold internationally, up to a maximum royalty payment for any one calendar quarter. Further, if the infomercial is aired in the United States, then the airing fee will revert back to the same flat rate per calendar quarter. The initial term of the agreement was five years starting October 15, 1999. The agreement automatically and continually renews for successive additional five-year terms unless RJML is in material default and is notified in writing at least thirty days prior to the end of the then current term that the individual intends to terminate the agreement.

The Company assumed any and all responsibilities associated with the agreements noted above on April 1, 2000, pursuant to the license and reconveyance agreement disclosed in Note 3.

Note 4 - Commitments and contingencies (continued)

On January 5, 2001, WSL entered into an agreement with Omega 5. This agreement was amended July 28, 2010. WSL shall have worldwide nonexclusive rights to manufacture, market and distribute DermaWand TM . In consideration of these rights, WSL shall pay a monthly payment for each unit sold of DermaWand depending on various scenarios as defined in the agreement. The agreement is silent as to its duration.

During 2007, the Company entered into an exclusive license agreement with Omega 5 wherein ICTV was assigned all of the trademarks and all of the patents and pending patents relating to the DermaWand TM _and was granted exclusive license with respect to the commercial rights to the DermaWand TM . The geographical scope of the license granted is the entire world consisting of the United States of America and all of the rest of the world. The license remains exclusive to ICTV provided ICTV pays to Omega 5 a minimum annual payment of $250,000 in the initial 18 month term of the agreement and in each succeeding one-year period. If the Company fails to meet the minimum requirements as outlined in the agreement, it may be forced to assign the trademarks and patents back to Omega 5. After the initial term, the exclusive license granted shall renew automatically for a three year period, and thereafter automatically at three-year intervals. The amount of expenses incurred for sales of the DermaWand TM were approximately $70,000 and $104,000 and $169,000 and $311,000 for the three and nine months ended September 30, 2011 and 2010, respectively.

Other matters
Product Liability Insurance

For certain products, the Company was (and is) listed as an additional insured party under the product manufacturers' insurance policy. The current policy has a scheduled expiration of April 20, 2012.

At present, management is not aware of any claims against the Company for any products sold.

Note 5 – Severance payable

In September 2010 the Company entered into a severance agreement with a former consultant. Under the severance agreement, the consultant will be paid $270,000 over a 27 month period in increments of $10,000 per month beginning in September 2010 and continuing through November 2012. The Company recorded the $270,000 as a General and Administrative expense in the three months ended September 30, 2010.

In April 2011, the Company amended the aforementioned severance agreement. The amendment allows the Company to make monthly payments of $3,400 per month for a period of one year from April 2011 through March 2012. Beginning in April 2012, the monthly payments will increase back to $10,000 per month through August 2013. The severance payable balance at September 30, 2011 is $179,600 of which $80,400 is current and $99,200 is long-term.

Note 6 - Related party transactions

The Company has received short-term advances from a shareholder. These advances amounted to approximately $40,000 and zero during the nine months ended September 30, 2011 and 2010, respectively. The Company has made repayments which amounted to approximately $30,000 and $1,000 during the nine months ended September 30, 2011 and 2010, respectively. These advances are non-interest bearing and without specific terms of repayment. These advances are included in accounts payable – related parties, on the accompanying condensed consolidated balance sheets.

The Company has a note payable to a shareholder in the amount of $590,723. This loan is interest-free and has no specific terms of repayment.

Note 7 - Capital transactions

In December 2007 we issued a total of 1,600,000 shares of our common stock and an equal number of warrants in a private placement of common stock and warrants. In the purchase agreement, the investors bought their stock at $2.20 per share, received warrants to purchase an equal number of shares at $3.00 per share, and were granted certain anti-dilution rights, which would essentially re-price their purchase if we later sold shares at a lower price. At our current stock price, the anti-dilution provisions essentially precluded our raising capital through sales of our stock.

As a result, the Company requested that the investors waive their anti-dilution rights. One of the requirements for us to obtain the requested waivers was to reduce the warrant exercise price to more closely reflect our current stock price. The result of our negotiations with the investors was a reduction in the warrant exercise price to $.10 per share for those warrants exercised promptly, and a reduction in the warrant exercise price to $.40 per share for most of the remaining warrants. In connection with this transaction, the Company issued 41,928 shares of common stock during the nine months ended September 30, 2011, in exchange for proceeds of approximately $4,000.

On November 5, 2010, the Company’s Board of Directors approved a resolution which modified the terms of the 1,600,000 warrants. The modified terms were (i) waiver of anti-dilution rights, (ii) modification of the exercise price of the warrants as defined in the agreement, and (iii) extension of expiration date to December 1, 2013.

The Company accounted for this change of warrants as a modification of the warrants during the year ended December 31, 2010. The modification of warrants, an equity instrument, resulted in a transfer of value to the holders of the instrument, thus this transfer of value has been characterized as a deemed dividend to shareholders. The Company valued the deemed dividend as the incremental fair value of modified warrants compared to the fair value of the old warrants immediately prior to modification. The weighted average grant date fair value of the warrants after modification was $0.05 per share. The fair value of the warrants prior to modification was insignificant, therefore a deemed dividend to the shareholder was recorded for approximately $77,000 to account for the incremental fair value of the warrant modification, which is reflected as an increase and corresponding decrease in additional paid in capital for the year ended December 31, 2010.

Through September 30, 2011, 1,209,916 warrants have been exercised for approximately $121,000. The remaining warrants of 390,084 are exercisable at prices between $0.10 and $3.00 per share and expire through December 1, 2013. For the nine months ended September 30, 2011, 168,649 warrants have been exercised for total proceeds of approximately $17,000.

Note 7 - Capital transactions (continued)

On February 17, 2011, the Company acquired from one of its shareholders 100% of its equity interest in Better Blocks International Limited ("BBI"), consisting primarily of intellectual properties in exchange for 500,000 shares of the Company's common stock. This transaction is between entities under common control and accordingly the net asset acquired is recorded at zero, which is the carrying value of BBI and is recorded as a capital transaction.

On April 1, 2011, the Company issued 1,000,000 shares of common stock in a private placement at $0.10 for total consideration of $100,000.

On May 11, 2011, the Company issued 250,000 shares of common stock in a private placement at $0.10 for total consideration of $25,000.

On August 5, 2011, the Company entered into a three year corporate public relations consulting agreement. As part of the agreement, the consultants received compensation in the form of 500,000 shares of stock, 500,000 warrants with an exercise price of $0.10 that expire 14 months from the date of the agreement, and 1,000,000 warrants with an exercise price of $0.50 that expire 24 months from the date of the agreement. The 500,000 shares of common stock issued were valued at the fair value on the date of grant. The Company recognized approximately $3,600 of expense for the three months ended September 30, 2011 related to the issuance of these shares, and the Company has remaining unrecognized expense of approximately $61,000 which will be recognized over the next 34 months.

The Company used Black Scholes model to value the 1,500,000 of warrants granted using the following assumptions:

Risk-free interest rate	0.11% - 0.28%
Expected dividend yield	0.00
Expected life	1.33 – 2.00 years
Expected volatility	303.3% - 430.9%
Exercise price	$0.10 - $0.50

The weighted average grant date fair value of these options was $0.06.

For the three months ended September 30, 2011 the Company recorded approximately $3,800 of stock based compensation expense for the 500,000 warrants issued to the consultants. As of September 30, 2011, there was approximately $23,000 of total unrecognized compensation costs related to these warrant grants which will be recognized over the remaining 12 months.

For the three months ended September 30, 2011 the Company recorded approximately $5,000 of stock based compensation expense for the 1,000,000 warrants issued to the consultants. As of September 30, 2011, there was approximately $55,000 of total unrecognized compensation costs related to these warrant grants which will be recognized over the remaining 22 months.

Note 8 - Basic and diluted earnings per share

ASC 260, "Earnings Per Share" requires presentation of basic earnings per share and dilutive earnings per share. The computation of basic earnings per share is computed by dividing earnings available to common shareholders by the weighted average number of outstanding common shares during the period.

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2011 and September 30, 2010
(Unaudited)

Note 8 - Basic and diluted earnings per share (continued)

Diluted earnings per share gives the effect to all dilutive potential common shares outstanding during the period. The computation of diluted earnings per share does not assume conversion, exercise or contingent exercise of securities that would have an anti-dilutive effect. At September 30, 2011, there were 1,890,084 warrants outstanding and exercisable. The warrants are exercisable between $0.10 and $3.00 per share expiring through December 1, 2013. At September 30, 2011 there were 1,650,000 stock options outstanding and 58,333 were vested and exercisable at an exercise price of $0.828.

The following securities were not involved in the computation of diluted net loss per share as their effect would have been anti-dilutive:

	September 30,	
	2011	2010
Options to purchase common stock	1,650,000	837,000
Warrants to purchase common stock	1,890,084	1,781,625

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2011 and September 30, 2010
(Unaudited)

Note 8 - Basic and diluted earnings per share (continued)

The computations for basic and fully diluted earnings per share are as follows:

For the 3-months ended September 30, 2011:	Income (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount
Basic earnings per share			
Income to common shareholders	$ 43,815	17,638,191	$ 0.00
Diluted earnings per share			
Income to common shareholders	$ 43,815	17,638,191	$ 0.00

For the 3-months ended September, 2010:	Loss (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount
Basic and diluted loss per share			
Loss to common shareholders	$ (194,686)	14,505,912	$ (0.01)

For the 9-month ended September 30, 2011:	Loss (Numerator)	Shares (Denominator)	Per Share Amount
Basic and diluted loss per share			
Loss to common shareholders	$ (184,126)	16,844,086	$ (0.01)

For the 9-month ended September 30, 2010:	Loss (Numerator)	Shares (Denominator)	Per Share Amount
Basic and diluted loss per share			
Loss to common shareholders	$ (587,115)	14,505,912	$ (0.04)

INTERNATIONAL COMMERCIAL TELEVISION INC. AND SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2011 and September 30, 2010
(Unaudited)

Note 9 - Segment reporting

The Company operates in one industry segment and is engaged in the selling of various consumer products primarily through direct marketing infomercials and televised home shopping. The Company evaluates performance and allocates resources based on several factors, of which the primary financial measure is operating income (loss) by geographic area. Operating expenses are primarily prorated based on the relationship between domestic and international sales.

Information with respect to the Company's operating income (loss) by geographic area is as follows:

	For the three months ended September 30, 201 1			For the three months ended September 30, 201 0		
	Domestic	International	Totals	Domestic	International	Totals
NET SALES	$ 366,223	$ 378,076	$ 744,299	$ 495,819	$ 385,640	$ 881,459
COST OF SALES	152,823	172,486	325,309	187,808	117,253	305,061
Gross profit	213,400	205,590	418,990	308,011	268,387	576,398
Operating expenses:						
General and administrative	296,420	(366)	296,054	670,126	14,068	684,194
Selling and marketing	79,121	-	79,121	77,563	9,428	86,991
Total operating expense	375,541	(366)	375,175	747,689	23,496	771,185
Operating income (loss)	$ (162,141)	$ 205,956	$ 43,815	$ (439,678)	$ 305,753	$ (194,787)

	For the nine months ended September 30, 201 1			For the nine months ended September 30, 2010		
	Domestic	International	Totals	Domestic	International	Totals
NET SALES	$ 1,284,128	$ 679,551	$ 1,963,679	$ 1,589,103	$ 1,514,721	$ 3,103,824
COST OF SALES	674,932	308,987	983,919	1,015,577	594,083	1,609,660
Gross profit	609,196	370,564	976,760	573,526	920,638	1,494,164
Operating expenses:						
General and administrative	885,909	3,700	889,609	1,702,343	44,969	1,747,312
Selling and marketing	274,285	-	274,285	316,928	17,398	334,326
Total operating expense	1,160,194	3,700	1,163,894	2,019,271	62,367	2,081,638
Operating income (loss)	$ (550,998)	$ 366,864	$ (184,134)	$ (1,445,745)	$ 858,271	$ (587,474)

Selected balance sheet information by geographic area is presented in the following table as of :

Total Assets	September 30, 2011	December 31, 2010
Domestic	$ 855,862	$ 810,252
International	31,825	33,931
Total Assets	$ 887,687	$ 844,183

Note 10 - Income taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company has provided a full valuation allowance on the net deferred tax asset because of uncertainty regarding its realization. This asset primarily consists of net operating losses. For the most part, the Company has experienced operating losses since inception. Therefore the Company has accumulated approximately $5,100,000 and $4,500,000 of net operating loss carryforwards for federal and state purposes, respectively, which expire twenty years from the time of incurrence for federal purposes. Expiration for the state net operating carryforwards may vary based on different state rules.

The Company's policy is to recognize interest and penalties related to tax matters in general and administrative expenses in the Consolidated Statements of Operations. The Company recorded zero interest and penalties for the quarters ended September 30, 2011 and 2010. At September 30, 2011 and December 31, 2010 the Company has approximately $260,000 accrued for various tax penalties.

The Company has not filed income tax returns since inception; therefore, the statute for all years remains open and any of these years could potentially be audited.

ITEM 2. MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Except for the historical information presented in this document, the matters discussed in this Form 10-Q, and specifically in the "Management's Discussion and Analysis or Plan of Operation", or otherwise incorporated by reference into this document contain "forward looking statements" (as such term is defined in the Private Securities Litigation Reform Act of 1995). These statements can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "intends", "should", or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. The safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, apply to forward-looking statements made by the Company. You should not place undue reliance on forward-looking statements. Forward-looking statements involve risks and uncertainties. The actual results that the Company achieves may differ materially from any forward-looking statements due to such risks and uncertainties. These forward-looking statements are based on current expectations, and the Company assumes no obligation to update this information. Readers are urged to carefully review and consider the various disclosures made by the Company in this report on Form 10-Q and in the Company's other reports filed with the Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that may affect the Company's business.

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the Financial Statements and accompanying notes and the other financial information appearing elsewhere in this report.

Overview

Although we currently sell products through infomercials, the goal of our business plan is to use the brand awareness we create in our infomercials so that we can sell the products featured in our infomercials, along with related families of products, under distinct brand names in traditional retail stores. Our goal is to have these families of products sold in the traditional retail environment in shelf-space dedicated to the product category. We are developing the infrastructure to create these brands of products so that we can implement our business plan.

Fluctuations in our revenue are driven by changes in our product mix. Revenues may vary substantially from period-to-period depending on our product line-up. A product that generates revenue in one quarter may not necessarily generate revenues in each quarter of a fiscal year for a variety of reasons, including, seasonal factors, number of infomercials run, the product's stage in its life-cycle, the public's general acceptance of the infomercial and other outside factors, such as the general state of the economy.

Just as fluctuations in our revenues are driven by changes in our product mix, our gross margins from period to period depend on our product mix and the distribution channels. Our gross margins vary according to whether the products we are selling are primarily our own products or third-party products. As a general rule, the gross margins for our own products are considerably higher based on proportionately smaller cost of sales. For third-party products, our general experience is that our gross margins are lower, because we record as cost of sales the proportionately higher cost of acquiring the product from the manufacturer. Within each category (i.e., our own products versus third-party products), gross margins still tend to vary based on factors such as market price sensitivity and cost of production.

Many of our expenses for our own products are incurred up-front. Some of our up-front expenditures include infomercial production costs and purchases of media time. If our infomercials are successful, these up-front expenditures produce revenue as consumers purchase the products aired on the infomercials. We do not incur infomercial production costs and media time for our third-party products, because we merely act as the distributor for pre-produced infomercials. It is the responsibility of the international infomercial operators to whom we sell the third-party products to take the pre-produced infomercial, adapt it to their local standards and pay for media time.

Results of Operations

The following discussion compares operations for the three and nine months ended September 30, 2011 with the three and nine months ended September 30, 2010.

Revenues

Our revenues decreased to approximately $744,000 and $1,964,000 for the three and nine months ended September 30, 2011, down from approximately $881,000 and $3,104,000 recorded during the comparative periods in 2010, a 16% and 37% decrease, respectively. There were three major reasons for the decrease in revenue. The first reason for the decrease in revenue was a decline in international sales. During the three and nine months ended September 30, 2011, international sales revenue for the DermaWand TM was approximately $378,000 and $680,000, as compared to approximately $386,000 and $1,515,000 in the comparative periods in the prior year.

The second reason for the decrease in revenue was a decline in domestic sales. During the three and nine months ended September 30, 2011, domestic sales revenue for the DermaWand TM was approximately $366,000 and $1,284,000, as compared to approximately $496,000 and $1,589,000 in the comparative periods in the prior year.

The third reason for the decrease in revenue was that in March 2010, the Company recognized approximately $94,000 of royalty income relating to the non-refundable royalty advance paid under the Allstar agreement. No revenue was recognized under the Allstar agreement in 2011.

All revenues recorded during the quarter ended September 30, 2011 were generated by our own products, as was the case during the comparative period in 2010.

Gross Margin

Gross margin percentage was approximately 56% and 50% for the three and nine months ended September 30, 2011 compared to 65% and 48% during the three and nine months ended September 30, 2010. The reason for the decrease in gross margin for the three months ended September 30, 2011 is due to the fact that domestic sales decreased in the three months ended September 30, 2011 as compared to the same period in 2010. These domestic sales come primarily from televised shopping and web based sales, both of which generate higher selling prices than our international business. The reason for the increase in gross margin for the nine months ended September 30, 2011 is due to the Company's decision to move the televised home shopping sales of Derma Wand from Home Shopping Network (HSN) to ShopNBC. The screen price for DermaWand on ShopNBC is currently $96.05 as compared to $59.95 on HSN.

Operating Expenses

Total operating expenses decreased to approximately $375,000 and $1,164,000 during the three and nine months ended September 30, 2011, from approximately $771,000 and $2,082,000 during the three and nine months ended September 30, 2010, down approximately $396,000 or 51% and $918,000, or 44%, respectively. Management's efforts to reduce the level of expenses over the past 12 months are one of the reasons for the decrease in operating expenses. A large portion of the decrease in operating expenses, approximately $340,000 and $484,000 for the three and nine months ended September 30, 2011, respectively, can be attributed to a decrease in payroll and severance expenses. In addition, the Company has decreased accounting expenses by approximately $34,000 and $212,000 and consulting expenses by approximately $21,000 and $153,000 for the three and nine months end September 30, 2011, respectively. The remaining $1,000 and $69,000 for the three and nine months end September 30, 2011 in operating expense reduction relates to management's efforts to control costs.

Net Income/Loss

The Company incurred a net income of approximately $44,000 and a net loss of approximately $184,000 for the three and nine months ended September 30, 2011, compared with net losses of approximately $195,000 and $587,000 for the three and nine months ended September 30, 2010. The major reasons for the decreased 2011 net loss was the increased profit margins the Company achieved with the higher selling price for Derma Wand on ShopNBC, combined with management’s efforts to reduce operating expenditures.

Liquidity and Capital Resources

At September 30, 2011, we had approximately $90,000 in cash on hand (including restricted cash), compared to approximately $161,000 at December 31, 2010. We generated negative cash flows from operations of approximately $226,000 in the nine months ended September 30, 2011 compared to a negative cash flow from operations of approximately $245,000 for the same period in 2010. The negative cash flow from operations during the current period was a result of a net loss of approximately $184,000, a decrease in accounts receivable of approximately $19,000, an increase in inventory of approximately $92,000, an increase in prepaid expense and deposits of approximately $51,000, an increase in accounts payable of approximately $30,000, a decrease in severance payable of approximately $84,000, an increase in deferred revenue of approximately $74,000, stock based compensation expense of approximately $51,000 and depreciation expense of approximately $11,000

We have a note payable to The Better Blocks Trust (“BB Trust”) in the amount of approximately $591,000. This loan is interest-free and has no specific terms of repayment.

On April 1, 2011, the Company issued 1,000,000 shares of common stock in a private placement at $0.10 for total consideration of $100,000.

On May 16, 2011, the Company issued 250,000 shares of common stock in a private placement at $0.10 for total consideration of $250,000.

The accompanying condensed consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company generated negative cash flows from operating activities in the nine month period ended September 30, 2011 of approximately $226,000, and the Company, for the most part, has experienced recurring losses from operations. The Company had a negative working capital of approximately $867,000 and an accumulated deficit of approximately $6,402,000 as of September 30, 2011.

Management plans to continue to seek to raise funds in addition to the sources above primarily through the sale of capital stock to sources still to be identified. However, to date, no additional sources have been identified by the Company and at this time, the Company is not party to any additional funding agreements.

As noted above under “Business,” our goal is to use the brand awareness we create in our infomercials to sell the products featured in our infomercials, along with related families of products, under distinct brand names in traditional retail stores. We will need to raise additional capital to execute that business plan. There can be no assurance that the required capital will be available on commercially reasonable terms, if at all. If we are unable to raise additional capital, we will assess all available alternatives including a sale of our assets or a merger. If none of these alternatives are available, these conditions raise substantial doubt about the Company’s ability to continue as a going concern.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There have been no changes to our critical accounting policies and estimates in the nine months ended September 30, 2011. The Securities and Exchange Commission (“SEC”) defines “critical accounting policies” as those that require application of management’s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. Our significant accounting policies are described under “Critical Accounting Policies” in our “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in Item 7, as well as in our consolidated financial statements and footnotes thereto for the year ended December 31, 2010, as filed with the Commission with our Annual Report form 10-K filed on March 29, 2011.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable

ITEM 4T. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's Exchange Act reports is recorded, processed, summarized and reported within the time frames specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and its Chief Financial Officer, to allow timely decisions regarding required disclosure based closely on the definition of "disclosure controls and procedures" in Rule 13a-15(e) and 15d-15(e).

Management recognizes that there are inherent limitations in the effectiveness of any system of internal control, and accordingly, even effective internal control can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect material misstatements. In addition, effective internal control at a point in time may become ineffective in future periods because of changes in conditions or due to deterioration in the degree of compliance with our established policies and procedures.

Our independent registered public accounting firm EisnerAmper, LLP has informed us of certain conditions which they deemed to be material weaknesses in our internal controls (as defined by standards established by the Public Company Accounting Oversight Board) which are disclosed in our Form 10-K for the year ended December 31, 2010.

We carried out an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of September 30, 2011 (the "Evaluation Date"). This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, and a conclusion on this evaluation. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer. Based upon that evaluation, management concluded that, as of the end of such period, our disclosure controls and procedures were not effective at the reasonable assurance level because of the material weaknesses in internal control over financial reporting noted above, which continued to be material weaknesses. The material weaknesses exist mainly due to the fact that we are a small company with limited accounting personnel. The Company is currently working to remediate these material weaknesses.

There were no changes in our internal control over financial reporting for the quarter ended September 30, 2011 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 1A. RISK FACTORS

Not required for smaller reporting company

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES

On August 5, 2011, the Company entered into a three year corporate public relations consulting agreement. As part of the agreement, the consultants received compensation in the form of 500,000 shares of stock, 500,000 warrants with an exercise price of $0.10 that expire 14 months from the date of the agreement, and 1,000,000 warrants with an exercise price of $0.50 that expire 24 months from the date of the agreement. The shares were issued as restricted stock, and a restrictive legend was placed on the share certificates. The issuance of the shares and warrants were exempt from registration under Regulation D and Section 4(2) of the Securities Act of 1933.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. (REMOVED AND RESERVED)

ITEM 5. OTHER INF ORMA TION

None

ITEM 6. EXH IB ITS

Exhibit Number	Description
2 *	Share and Option Purchase Agreement
3.1 *	Amended and Restated Articles of Incorporation
3.2 *	Amended and Restated Bylaws
3.3 *	First Amendment to Amended and Restated Bylaws
10.1 *	2001 Stock Option Plan
10.2 *	Promissory Note by Moran Dome Exploration Inc. payable to the Trustees of the Better Blocks Trust, in the amount of $590,723.27
10.3 *	Extension of Promissory Note dated August 23, 2001, by and between the Trustees of the Better Blocks Trust and International Commercial Television Inc.

10.4 **	Second Extension of Promissory Note dated March 25, 2002, by and between the Trustees of the Better Blocks Trust and International Commercial Television Inc.
10.5 ***	Assignment of Trademark by Dimensional Marketing Concepts, Inc.
31.1 ****	Rule 13a-14(a)/15d-14(a) Certification – Chief Executive Officer
31.2 ****	Rule 13a-14(a)/15d-14(a) Certification – Chief Financial Officer
32 ****	Section 1350 Certifications
101.INS	Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Incorporated by reference from Form SB-2 filed with the Securities and Exchange Commission on October 3, 2001.

** Incorporated by reference from Post-Effective Amendment No. 1 to Form SB-2 filed with the Securities and Exchange Commission on April 12, 2002.

*** Incorporated by reference from Amendment No. 1 to Form SB-2 filed with the Securities and Exchange Commission on December 24, 2001.

**** Filed herewith

SIGN AT URES

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

INTERNATIONAL COMMERCIAL TELEVISION INC.
Registrant

Date: November 14, 2011

By: /s/ Kelvin Claney
Name: Kelvin Claney
Title: Chief Executive Officer

Date: November 14, 2011

By: /s/ Richard Ransom
Name: Richard Ransom
Title: President and Chief Financial Officer

Exhibit 31.1

I, Kelvin Claney, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of International Commercial Television, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2011

/s/ Kelvin Claney

Kelvin Claney, Chief Executive Officer

Exhibit 31.2

I, Richard Ransom, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of International Commercial Television, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a–15(f) and 15d–15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2011

/s/ Richard Ransom
Richard Ransom, Chief Financial Officer

Exhibit 32

In connection with the Quarterly Report of International Commercial Television, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Kelvin Claney, Chief Executive Officer of the Company, and Richard Ransom, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of their knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Kelvin Claney
Kelvin Claney, Chief Executive Officer

/s/ Richard Ransom
Richard Ransom, Chief Financial Officer

Date: November 14, 2011