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THEGLOBE COM INC
Form PRE 14A
October 08, 2004

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934

FILED BY THE REGISTRANT

FILED BY A PARTY OTHER THAN THE REGISTRANT

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to Sec. 240.14a-11(c) or Sec. 240.14a-12

THEGLOBE.COM
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

PAYMENT OF FILING FEE (CHECK THE APPROPRIATE BOX):

No fee required.

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1. Title of each class of securities to which transaction applies: N/A
2. Aggregate number of securities to which transaction applies: N/A
3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11: N/A
4. Proposed maximum aggregate value of transaction: N/A
5. Total fee paid: N/A

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1. Amount Previously Paid: N/A
2. Form, Schedule or Registration Statement No.: N/A
3. Filing Party: N/A
4. Date Filed: N/A

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THEGLOBE.COM, INC.
110 EAST BROWARD BOULEVARD
SUITE 1400
FORT LAUDERDALE, FLORIDA 33301

October 29, 2004

Dear Stockholder:

We invite you to attend our Annual Meeting of Stockholders on Tuesday, November 30, 2004, 10 a.m., at Renaissance Hotel, 1617 Southeast 17th Street, Fort Lauderdale, Florida 33316.

This booklet includes the formal notice of the meeting and the proxy statement. The proxy statement tells you about the agenda and procedures for the meeting. In addition to specific agenda items, we will discuss generally the operations of theglobe.com. We welcome your comments, and hope you will join us.

Whether or not you plan to attend in person, IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE ANNUAL MEETING OF STOCKHOLDERS. The Board of Directors recommends that stockholders vote FOR each of the matters described in the proxy statement to be presented at the Annual Meeting of Stockholders.

PLEASE DATE AND SIGN YOUR PROXY CARD AND RETURN IT IN THE ENCLOSED ENVELOPE AS SOON AS POSSIBLE.

Thank you.

Sincerely,

/s/ Michael S. Egan

Michael S. Egan
Chief Executive Officer

the GLOBE.COM [LOGO]

THEGLOBE.COM, INC.
110 EAST BROWARD BOULEVARD
SUITE 1400
FORT LAUDERDALE, FLORIDA 33301

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD NOVEMBER 30, 2004

theglobe.com, inc., a Delaware corporation, will hold its Annual Meeting of Stockholders on Tuesday, November 30, 2004 at 10 a.m., at the Renaissance Hotel, 1617 Southeast 17th Street, Fort Lauderdale, Florida 33316, for the following purposes:

1. To elect the Board of Directors for the coming year;
2. To approve the amendment to the certificate of incorporation of the

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corporation to increase the total authorized shares of common stock from 200,000,000 shares to 500,000,000 shares;

3. To approve theglobe's 2000 Stock Option Plan, as amended and restated; and
4. To transact any other business that may properly come before the Annual Meeting of Stockholders.

If you own shares of theglobe.com as of the close of business on October 6, 2004, you can vote those shares by proxy or at the Annual Meeting of Stockholders.

Fort Lauderdale, Florida
October 29, 2004

By Order of the Board of Directors

/s/ Michael S. Egan

Michael S. Egan
Chief Executive Officer

IMPORTANT: WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, DATE AND SIGN THE ENCLOSED PROXY AND MAIL IT PROMPTLY IN THE ENCLOSED ENVELOPE IN ORDER TO ENSURE REPRESENTATION OF YOUR SHARES. NO POSTAGE IS NECESSARY IF YOU MAIL IT IN THE UNITED STATES.

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THEGLOBE.COM, INC.

PROXY STATEMENT
IN CONNECTION WITH ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON NOVEMBER 30, 2004.

THE BOARD OF DIRECTORS OF THEGLOBE.COM, INC. ("THEGLOBE", "WE" OR "US") IS SOLICITING PROXIES TO BE VOTED AT THE ANNUAL MEETING OF STOCKHOLDERS (THE "ANNUAL MEETING") TO BE HELD AT THE RENAISSANCE HOTEL, 1617 SOUTHEAST 17TH STREET, FORT LAUDERDALE, FLORIDA ON TUESDAY, NOVEMBER 30, 2004 AT 10:00 A.M. AND AT ANY ADJOURNMENT OR POSTPONEMENT.

This proxy statement and the accompanying proxy are first being sent to stockholders entitled to vote at the Annual Meeting on or about October 29, 2004. theglobe.com's principal executive offices are located at 110 East Broward Boulevard, Suite 1400, Fort Lauderdale, Florida 33301, telephone number (954) 769-5900.

VOTING RIGHTS AND SOLICITATION OF PROXIES

PURPOSE OF THE ANNUAL MEETING

The specific proposals to be considered and acted upon at the Annual Meeting are summarized in the accompanying Notice of Annual Meeting. Each proposal is described in more detail in this proxy statement.

RECORD DATE AND SHARES OUTSTANDING

Stockholders of record who owned common stock at the close of business on October 6, 2004 (the "Record Date") are entitled to notice of and to vote at the Annual Meeting. At the Record Date, 155,777,941 shares of common stock and 175,000 shares of Series H Preferred Stock (convertible into 17,500,000 shares of common stock as of the record date) were issued and outstanding. The common stock and Series H Preferred Stock (on an as converted basis) vote together as a single class on the election of directors and, except as provided by law and by the terms of the Series H Preferred Stock, on all other matters. In accordance with its terms, the Series H Preferred Stock is not entitled to vote on Proposal 2 below, relating to the amendment to our authorized capital. The closing price of our common stock on the OTC Bulletin Board on the Record Date was \$0.47 per share.

REVOCABILITY AND VOTING OF PROXIES

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Any person signing a proxy in the form accompanying this proxy statement has the power to revoke it prior to the Annual Meeting or at the Annual Meeting prior to the vote pursuant to the proxy. A proxy may be revoked by any of the following methods:

- o by writing a letter delivered to Robin S. Lebowitz, Corporate Secretary of theglobe.com, stating that the proxy is revoked;
- o by submitting another proxy with a later date; or
- o by attending the Annual Meeting and voting in person.

Please note, however, that if a stockholder's shares are held of record by a broker, bank or other nominee and that stockholder wishes to vote at the Annual Meeting, the stockholder must bring to the Annual Meeting a letter from the broker, bank or other nominee confirming that stockholder's beneficial ownership of the shares. Shares of common stock represented by properly executed proxies will be voted at the Annual Meeting in accordance with the instructions indicated on the proxies, unless the proxies have been revoked.

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Unless we receive specific instructions to the contrary, properly executed proxies will be voted: (i) FOR the election of each of theglobe.com's nominees as a director; (ii) FOR the approval of the amendment to the certificate of incorporation of the corporation to increase the total authorized shares of common stock from 200,000,000 to 500,000,000 shares; (iii) FOR the approval of theglobe's 2000 Stock Option Plan, as amended and restated; and (iv) FOR any other matters that may come before the Annual Meeting, at the discretion of the proxy holders. theglobe.com does not presently anticipate any other business will be presented for vote at the Annual Meeting.

LIST OF STOCKHOLDERS

A list of stockholders entitled to vote at the Annual Meeting will be available at the Annual Meeting and for ten days prior to the Annual Meeting during regular business hours at our offices 110 East Broward Boulevard, Suite 1400, Fort Lauderdale, Florida, by contacting Robin S. Lebowitz, Corporate Secretary of theglobe.com.

VOTING AT THE ANNUAL MEETING

Each share of common stock outstanding on the Record Date will be entitled to one (1) vote on each matter submitted to a vote of the stockholders, including the election of directors. Each share of Series H Preferred Stock is entitled to a number of votes equal to the number of shares of common stock into which the Series H Preferred Stock is convertible, on all matters other than Proposal 2 as to which the Series H Preferred Stock will not vote. As of the record date, each share of Series H Preferred Stock was convertible into one hundred shares of common stock. Accordingly, other than with respect to Proposal 2, the holders of Series H Preferred Stock will be entitled to cast an aggregate of 17,500,000 votes and the holders of common stock will be entitled to cast an aggregate of 155,777,941 votes. Cumulative voting by stockholders is not permitted.

The presence, in person or by proxy, of the holders of a majority of the votes entitled to be cast by the stockholders entitled to vote at the Annual Meeting is necessary to constitute a quorum. Abstentions and broker "non-votes" are counted as present and entitled to vote for purposes of determining a quorum. A broker "non-vote" occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have

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discretionary voting power for that particular item and has not received instructions from the beneficial owner.

A plurality of the votes cast by the holders of common stock and the holders of Series H Preferred Stock, voting together as a single class, is required for the election of Directors (Proposal 1). A vote of the holders of a majority of the issued and outstanding shares of Common Stock is required to amend the Company's certificate of incorporation as contemplated by Proposal 2. A majority of the votes cast by the holders of common stock and the holders of Series H Preferred Stock, voting together as a single class, is required to approve the 2000 Stock Option Plan, as amended and restated. (Proposal 3). Abstentions and broker "non-votes" are not counted for purposes of Proposals 1 and 3.

SOLICITATION

We will pay the costs relating to this proxy statement, the proxy and the Annual Meeting. We may reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation material to beneficial owners. Directors, officers and regular employees may also solicit proxies. They will not receive any additional compensation for the solicitation.

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PROPOSAL NO. 1

ELECTION OF DIRECTORS

NOMINEES FOR DIRECTORS

The Board of Directors proposes the following four nominees for election as directors at the Annual Meeting. The directors will hold office from election until the next Annual Meeting, or until their successors are elected and qualified.

NOMINEE -----	AGE ---	POSITION HELD WITH THEGLOBE -----	DIRECTOR SINCE -----
Michael S. Egan	64	Chairman and Chief Executive Officer	1997
Edward A. Cespedes . .	38	Director and President	1997
Robin Segaul Lebowitz.	40	Director, Vice President of Finance, and Corporate Secretary	2001
Paul Soltoff	50	Chief Executive Officer of SendTec and Director	2004

MICHAEL S. EGAN. Michael Egan has served as theglobe.com's Chairman since 1997 and as its Chief Executive Officer since June 1, 2002. Since 1996, Mr. Egan has been the controlling investor of Dancing Bear Investments, a privately held investment company. Mr. Egan is also Chairman of Certified Vacations, a privately held wholesale travel company which was founded in 1980. Certified Vacations specializes in designing, marketing and delivering vacation packages. Mr. Egan is a member of the Board of Directors of Boca Resorts, Inc. (NYSE: RST) (formerly Florida Panthers Holdings, Inc.) and a member of the Board of Directors of the Horatio Alger Association. Mr. Egan spent over 30 years in the

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rental car business. He began with Alamo Rent-A-Car in 1973, became an owner in 1979, and became Chairman and majority owner from January 1986 until November 1996 when he sold the company to AutoNation. In 2000, AutoNation spun off the rental division, ANC Rental (Other OTC: ANCXZ.PK), and Mr. Egan served as Chairman until October 2003. Prior to acquiring Alamo, he held various administration positions at Yale University and taught at the University of Massachusetts at Amherst. Mr. Egan is a graduate of Cornell University where he received his Bachelor's degree in Hotel Administration.

EDWARD A. CESPEDES. Edward Cespedes has served as a director of theglobe.com since 1997 and as President of theglobe.com since June 1, 2002. Mr. Cespedes is also the President of E&C Capital Partners, LLLP, a privately held investment company. Mr. Cespedes served as the Vice Chairman of Prime Ventures, LLC, from May 2000 to February 2002. From August 2000 to August 2001, Mr. Cespedes served as the President of the Dr. Koop Lifecare Corporation and was a member of the Company's Board of Directors from January 2001 to December 2001. From 1996 to 2000, Mr. Cespedes was a Managing Director of Dancing Bear Investments. Concurrent with his position at Dancing Bear Investments, from 1998 to 2000, Mr. Cespedes also served as Vice President for corporate development for theglobe.com where he had primary responsibility for all mergers, acquisitions, and capital markets activities. In 1996, prior to joining Dancing Bear Investments, Mr. Cespedes was the Director of Corporate Finance for Alamo Rent-A-Car. From 1988 to 1996, Mr. Cespedes worked in the Investment Banking Division of J.P. Morgan and Company, where he most recently focused on mergers and acquisitions. In his capacity as a venture capitalist, Mr. Cespedes has served as a member of the board of directors of various portfolio companies. Mr. Cespedes is the founder of the Columbia University Hamilton Associates, a foundation for university academic endowments. In 1988 Mr. Cespedes received a Bachelor's degree in International Relations from Columbia University.

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ROBIN S. LEBOWITZ. Robin Lebowitz has served as a director of theglobe.com since December 2001, as Corporate Secretary of theglobe.com since June 1, 2002, and as Vice President of Finance of theglobe.com since February 23, 2004. Ms. Lebowitz also served as Treasurer of theglobe.com from June 1, 2002 until February 23, 2004 and as Chief Financial Officer of theglobe.com from July 1, 2002 until February 23, 2004. Ms. Lebowitz has worked in various capacities for the Company's Chairman, Michael Egan, for ten years. She is the Controller/Managing Director of Dancing Bear Investments, Mr. Egan's privately held investment management and holding company. Previously, Ms. Lebowitz served on the Board of Directors of theglobe.com from August 1997 to October 1998. At Alamo Rent-A-Car, she served as Financial Assistant to the Chairman (Mr. Egan). Prior to joining Alamo, Ms. Lebowitz was the Corporate Tax Manager at Blockbuster Entertainment Group where she worked from 1991 to 1994. From 1986 to 1989, Ms. Lebowitz worked in the audit and tax departments of Arthur Andersen & Co. Ms. Lebowitz received a Bachelor of Science in Economics from the Wharton School of the University of Pennsylvania; a Masters in Business Administration from the University of Miami and is a Certified Public Accountant.

PAUL SOLTOFF. Paul Soltoff has served as Chairman of the Board and Chief Executive Officer of SendTec since its inception in February 2000. Commensurate with our acquisition of SendTec pursuant to a merger on September 1, 2004, Mr. Soltoff continued in the position of Chief Executive Officer of SendTec and was elected to theglobe.com's Board of Directors. In 1997, Mr. Soltoff became the Chief Executive Officer of Soltoff Direct Corporation, a specialized direct marketing consulting company located in St. Petersburg, Florida. Since the inception of SendTec, Soltoff Direct Corporation has been largely inactive. Mr. Soltoff is a graduate of Temple University where he received his Bachelor of

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Science degree in Business Marketing in 1995.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

Michael Egan, theglobe.com's Chairman, was Chairman of ANC Rental Corporation from late 2000 until October 2003 and was Chief Executive Officer of ANC Rental Corporation from late 2000 until April 4, 2002. In November 2001, ANC Rental Corporation filed voluntary petitions for relief under chapter 11 or title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (Case No. 01-11200).

Edward Cespedes, a Director of theglobe, was also a Director of Dr. Koop Lifecare Corporation from January 2001 to December 2001. In December 2001, Dr. Koop Lifecare Corporation filed petitions seeking relief under Chapter 7 of the United States Bankruptcy Code.

Albert J. Detz, the Chief Financial Officer of theglobe.com, was Vice President, Finance for NationsRent, Inc. from January 2001 to September 2002. In December 2001, NationsRent, Inc. filed voluntary petitions for relief under Chapter 11 or Title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (Case No. 01-11628 PJW). Mr. Detz was also the Senior Vice President and Chief Financial Officer of Gerald Stevens, Inc. from July 1998 to August 2000. In April 2001, Gerald Stevens, Inc. filed voluntary petitions for relief under Chapter 11 or Title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court in Miami Florida (Case No. 01-13984 BKC-RAM through 01-14039 BKC-RAM).

BOARD MEETINGS AND COMMITTEES OF THE BOARD

Including unanimous written actions of the Board, the Board of Directors met fourteen times in 2003. No incumbent director who was on the Board for the entire year attended less than 75% of the total number of all meetings of the Board and any committees of the Board on which he or she served, if any, during 2003.

The Board of Directors has a standing Audit and Compensation Committee but no standing Nominating Committee.

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Audit Committee. The Audit Committee, which was formed in July 1998, reviews, acts on and reports to the Board of Directors with respect to various auditing and accounting matters, including the selection of our independent auditors, the scope of the annual audits, fees to be paid to the auditors, the performance of our auditors and our accounting practices and internal controls. The Audit Committee operates pursuant to a written charter, as amended, adopted by the Board of Directors on June 12, 2000. The current members of the Audit Committee are Messrs. Egan and Cespedes and Ms. Lebowitz, all of whom are employee directors. None of the current committee members are considered "independent" within the meaning of applicable NASD rules. Ms. Lebowitz serves as the "audit committee financial expert" as required by Section 407 of Sarbanes, but is not considered independent within the meaning of applicable NASD rules. Including unanimous written actions of the Committee, the Audit Committee held five meetings in 2003.

Compensation Committee. The Compensation Committee, which met eight times in 2003 (including unanimous written actions of the Committee), establishes salaries, incentives and other forms of compensation for officers and other employees of theglobe.com. The Compensation Committee (as well as the entire

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Board of Directors) also approves option grants under all of our outstanding stock based incentive plans. The current members of the Compensation Committee are Messrs. Egan and Cespedes.

Nominating Committee. The Board of Directors does not have a separate nominating committee. Rather, the entire Board of Directors acts as nominating committee. Based on the Company's Board currently consisting only of employee directors, the Board of Directors does not believe the Company would derive any significant benefit from a separate nominating committee. Due primarily to their status as employees of the Company, none of the members of the Board are "independent" as defined in the NASD listing standards. The Company does not have a Nominating Committee charter.

In recommending director candidates in the future, the Board intends to take into consideration such factors as it deems appropriate based on the Company's current needs. These factors may include diversity, age, skills, decision-making ability, inter-personal skills, experience with businesses and other organizations of comparable size, community activities and relationships, and the interrelationship between the candidate's experience and business background, and other Board members' experience and business background, whether such candidate would be considered "independent", as such term is defined in the NASD listing standards, as well as the candidate's ability to devote the required time and effort to serve on the Board.

The Board will consider for nomination by the Board director candidates recommended by Stockholders if the Stockholders comply with the following requirements. Under our By-Laws, if a stockholder wishes to nominate a director at the Annual Meeting, we must receive the stockholder's written notice not less than 60 days nor more than 90 days prior to the date of the annual meeting, unless we give our stockholders less than 70 days' notice of the date of our Annual Meeting. If we provide less than 70 days' notice, then we must receive the stockholder's written notice by the close of business on the 10th day after we provide notice of the date of the Annual Meeting. The notice must contain the specific information required in our By-Laws. A copy of our By-Laws may be obtained by writing to the Corporate Secretary. If we receive a stockholder's proposal within the time periods required under our By-Laws, we may choose, but are not required, to include it in our proxy statement. If we do, we may tell the other stockholders what we think of the proposal, and how we intend to use our discretionary authority to vote on the proposal. All proposals should be made in writing and sent via registered, certified or express mail, to our executive offices, 110 East Broward Boulevard, Suite 1400, Fort Lauderdale, Florida 33301, Attention: Robin S. Lebowitz, Corporate Secretary.

Shareholder Communications with the Board of Directors. Any shareholder who wishes to send communications to the Board of Directors should mail them addressed to the intended recipient by name or position in care of: Corporate Secretary, theglobe.com, inc., 110 East Broward Boulevard, Suite 1400, Fort Lauderdale, Florida, 33301. Upon receipt of any such communications, the Corporate Secretary will determine the identity of the intended recipient and whether the communication is an appropriate shareholder communication. The Corporate Secretary will send all appropriate shareholder communications to the intended recipient. An "appropriate shareholder communication" is a communication from a person claiming to be a shareholder in the communication, the subject of which relates solely to the sender's interest as a shareholder and not to any other personal or business interest.

In the case of communications addressed to the Board of Directors, the Corporate

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Secretary will send appropriate shareholder communications to the Chairman of the Board. In the case of communications addressed to any particular directors, the Corporate Secretary will send appropriate shareholder communications to such director. In the case of communications addressed to a committee of the board, the Corporate Secretary will send appropriate shareholder communications to the Chairman of such committee.

The Board of Directors encourages, but does not require, its directors to attend the Company's annual meeting of stockholders. Last year, all of the Company's directors attended the annual meeting.

DIRECTOR COMPENSATION

Directors who are also our employees receive no compensation for serving on our Board or committees. We reimburse non-employee directors for all travel and other expenses incurred in connection with attending Board and committee meetings. Non-employee directors are also eligible to receive automatic stock option grants under our 1998 Stock Option Plan, as amended and restated. As of December 31, 2003 there were no directors who met this definition.

Each director who becomes an eligible non-employee director for the first time receives an initial grant of options to acquire 25,000 shares of our common stock. In addition, each eligible non-employee director will receive an annual grant of options to acquire 7,500 shares of our common stock on the first business day following each annual meeting of stockholders that occurs while the 1998 Stock Option Plan or 2000 Stock Option Plan is in effect. These stock options will be granted with per share exercise prices equal to the fair market value of our common stock as of the date of grant.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF THE FOUR
NOMINEES AS DIRECTORS OF THEGLOBE.COM.

We will vote your shares as you specify on the enclosed proxy card. If you do not specify how you want your shares voted, we will vote them FOR the election of all the nominees listed above. If unforeseen circumstances (such as death or disability) make it necessary for the Board of Directors to substitute another person for any of the nominees, we will vote your shares FOR that other person. The Board of Directors does not presently anticipate that any nominee will be unable to serve.

PROPOSAL NO. 2

APPROVAL OF AMENDMENT TO THE FOURTH AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION OF THE CORPORATION
TO INCREASE THE TOTAL AUTHORIZED SHARES OF COMMON STOCK

The Board of Directors has proposed to amend the Corporation's Certificate of Incorporation for the purpose of increasing the number of authorized shares of Common Stock of the Corporation from two hundred million (200,000,000) shares to five hundred million (500,000,000) shares (the "Certificate of Amendment"). A copy of the proposed Certificate of Amendment is attached hereto as Exhibit "A". If the Certificate of Amendment is approved at the Annual Meeting, the Corporation intends to promptly sign the Certificate of Amendment and file the same with the Delaware Secretary of State. The amendment will not affect the number of shares of preferred stock authorized, which is 3,000,000 shares, \$.001 par value per share.

The additional shares of Common Stock for which authorization is sought herein would be part of the existing class of Common Stock and, if and when issued, would have the same rights and privileges as the shares of Common Stock presently outstanding. Holders of Common Stock have no preemptive or other subscription rights.

The Board of Directors believes that increasing the number of authorized shares is essential to ensure that the Corporation will continue to have an adequate number of shares of Common Stock available for future issuance. As of the record date of October 6, 2004, the Company had issued and outstanding 155,777,941 shares of Common Stock. In addition, as of the record date, the Company had outstanding options and warrants to acquire approximately 15,244,000 and 18,463,000 shares, respectively, of its Common Stock. Many of the options and warrants require the Company to reserve shares of Common Stock for potential issuance upon the exercise or conversion of such securities. In addition to the warrants issued and outstanding described above, the Company also holds in escrow warrants to acquire up to 2,250,000 shares, subject to release over approximately the next two years (some of which may accelerate under certain events) upon the attainment of certain performance objectives. Similarly, pursuant to the terms of our acquisition of SendTec, Inc. on September 1, 2004 (the SendTec Acquisition") we may issue warrants ranging in number from 250,000 to 2,500,000 shares if SendTec exceeds certain forecasted operating income for the year ending December 31, 2005. The Company also holds an option to acquire an Internet related company, pursuant to which, if the Company exercised the option, it would issue an additional 1,500,000 shares of its Common Stock. Consequently, substantially all of the Company's Common Stock (approximately 196 million shares) is issued or reserved for issuance at the present time.

The Company also has available for future issuance approximately 2,626,000 shares under its stock options plans. Subject to the approval of Proposal No. 3 (relating to our 2000 Stock Option Plan as amended and restated), an additional 7,500,000 shares will also be available for future issuance under that Plan. Assuming Proposal No. 3 is approved, the Company anticipates that it will issue up to approximately 4,500,000 performance based stock options from such Plan.

In connection with the SendTec Acquisition, the Company issued 175,000 shares of Series H Preferred Stock which are convertible into approximately 17,500,000 shares of Common Stock. These shares of Series H Preferred Stock will automatically convert into additional shares of our Common Stock upon the filing of the Certificate of Amendment with the Delaware Secretary of State. In the event that the Certificate of Amendment is not approved for any reason at the Annual Meeting then on the 10th day following the failure to approve the Certificate of Amendment, the remaining shares of Series H Preferred Stock will automatically convert into whatever number of shares of Common Stock which theglobe then has remaining available for issuance (after giving affect to shares our Common Stock reserved for issuance under previously outstanding options and warrants), less up to 3 million additional shares as may be designated by theglobe. The Company currently does not have sufficient available authorized shares of common stock to permit the conversion of all of the Series H Preferred Stock. With regard to any shares of Series H Preferred Stock which theglobe does not automatically convert into shares of common stock, the holders of the Series H Preferred Stock may thereafter convert such remaining Series H Preferred Stock into a subordinated promissory note (a "Conversion Note") from theglobe. If issued, the Conversion Note will be due in one lump sum on the later of the first anniversary of its issuance or December 31, 2005 and will bear interest at the rate of 4% per annum. The principal amount of the Conversion Note would be equal to the product of (A) the number of shares of theglobe's common stock that would have been issued upon conversion of the shares of the Series H Preferred Stock that were not converted into common stock and (B) the lesser of (i) the Fair Market Value, as defined, of theglobe's common stock in the 20 trading days immediately prior to the conversion date and (ii) \$0.83. If none of the remaining shares of Series H Preferred Stock were

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converted into common stock, the maximum principal amount of the Conversion Note (based upon the maximum conversion rate of \$0.83 per share) would be approximately \$14.5 million. See "Recent Events" elsewhere in this proxy statement for further information relating to the acquisition of SendTec and the terms of the Series H Preferred Stock. Five of the former shareholders of SendTec (whom collectively received approximately 82% of the shares of common stock issued in the Merger, together with theglobe's Chairman, Michael Egan (together with certain affiliates which he controls), have agreed to vote (or have granted proxies to so vote) in favor of the Certificate of Amendment.

From January 1, 2004 through the record date, the Company's Common Stock has traded on the OTC Bulletin Board at prices ranging from \$.20 to \$1.44. As a result, the Company has needed to issue large amounts of Common Stock or instruments exercisable or convertible into Common Stock in order to raise any significant equity capital. The Company may need to raise significant additional capital in order to pursue its business plans and, if successful in raising such capital, will likely issue a substantial number of additional shares of Common Stock or securities exercisable for, or convertible into, Common Stock.

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Effect and Purpose of Proposed Certificate of Amendment

The Board of Directors believes that it is in the best interest of the Corporation to have additional shares of Common Stock authorized so that we may cause the automatic conversion of the Series H Preferred Stock which we issued in the SendTec Acquisition. See "Recent Events." In addition, the Board of Directors believes that it is in the best interest of the Corporation to have additional shares of Common Stock authorized and available for issuance in order to meet future requirements of the Corporation, which may include issuances of securities to fund operations of the Company, to fund acquisitions of the Company, to meet future financing needs of the Corporation, to allow for additional option grants pursuant to the Company's stock incentive plans, to effect stock splits or declare stock dividends, and for other corporate purposes.

The Board of Directors does not intend to issue any Common Stock or securities exercisable or convertible into Common Stock except on terms that the Board deems to be in the best interests of the Corporation and its stockholders.

If you authorize us to increase our authorized common stock, we will not be required to seek your approval for the issuance of any of the additional shares in connection with financing transactions or any other transaction, unless our Common Stock becomes listed on a securities exchange or is admitted to quotation on the NASDAQ Stock Market and the listing standards of that securities market require us to seek your approval. Therefore, your interest in our company could be substantially diluted without your approval.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE
CERTIFICATE OF AMENDMENT.

We will vote your shares as you specify on the enclosed proxy card. If you do not specify how you want your shares voted, we will vote them FOR the Certificate of Amendment.

PROPOSAL NO. 3

APPROVAL OF THE 2000 STOCK OPTION PLAN,

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AS AMENDED AND RESTATED

The Board of Directors proposes that theglobe's stockholders approve theglobe's 2000 Stock Option Plan, as amended and restated as of December 1, 2004 (the "2000 Stock Option Plan"). The 2000 Stock Option Plan, as amended and restated provides for:

- o an increase in the number of shares of common stock reserved for issuance under the 2000 Stock Option Plan by an additional 7,500,000 shares (resulting in an aggregate of 8,000,000 shares being issuable under the 2000 Stock Option Plan); and
- o removal of the limitation on the number of options that may be awarded to any individual.

PURPOSE OF THE PROPOSAL

During 1995, the Company established the 1995 Stock Option Plan, which was amended by the Board of Directors in 1996. With the rapid growth of our personnel and the increased competition to attract and retain talented individuals we established the 1998 Stock Option Plan in July 1998, which was adopted by the Board of Directors and approved by our stockholders. We originally reserved 2,400,000 shares of common stock for issuance under this plan. In March 1999, less than 5,000 shares remained available for grant under the 1998 Stock Option Plan. As a result, the Board of Directors approved an increase of one million (1,000,000) shares for issuance under the 1998 Stock Option Plan. The increase was approved by our stockholders in June 1999. In January 2000, the Board adopted the 2000 Broad Based Employee Stock Option Plan. We have reserved 850,000 shares of common stock for issuance under this plan. Our intention was that at least 50% of the options granted under the 2000 Broad Based Employee Stock Option Plan will be granted to individuals who are not managers or officers of theglobe.

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As our personnel base continued to grow and our ability to attract and retain key employees became increasingly difficult, the Board adopted an additional stock plan, the 2000 Stock Option Plan which was approved by our stockholders in June 2000. 500,000 shares of common stock were previously reserved for issuance under the 2000 Stock Option Plan. The 2000 Stock Option Plan is substantially the same as the 1998 Stock Option Plan. The primary differences between the two plans are that the 2000 Stock Option Plan does not provide for automatic accelerated vesting in connection with certain change of control transactions and the 2000 Stock Option Plan gives to theglobe the ability to grant restricted stock awards. These items are discussed in detail below.

The Board of Directors has also adopted theglobe.com, inc. 2003 Amended & Restated Non-Qualified Stock Option Plan (the "2003 Non-Qualified Stock Option Plan") and theglobe.com, inc. 2004 Stock Incentive Plan (the "2004 Stock Incentive Plan"). Both of these plans were initially adopted for limited purposes and neither of these plans has been approved by our stockholders. The 2003 Non-Qualified Stock Option Plan provides for the grant of non-qualified stock options to certain employees and consultants of theglobe or its subsidiaries. The 2004 Stock Incentive Plan was primarily adopted in connection with the SendTec Acquisition and is more fully described commencing on page ___ herein.

As of the Record Date, there were approximately 88,000 shares available for

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future grant under the 1998 Stock Option Plan, approximately 13,000 shares available for future grant under the 2000 Broad Based Employee Stock Option Plan, and approximately 56,000 shares available for future grant under the 2000 Stock Option Plan. In addition, there were approximately 194,000 shares available for future grant under the 2003 Non-Qualified Stock Option Plan and approximately 2,275,000 shares available for future grant under the 2004 Stock Incentive Plan. In order to continue to provide key individuals with awards and incentives commensurate with their contributions and competitive with those offered by other employers, the Compensation Committee determined that it was in our best interest to increase the number of shares with respect to which options may be granted under the 2000 Stock Option Plan. Consequently, in October 2004 our Board of Directors approved an amendment and restatement of the 2000 Stock Option Plan, subject to approval by our stockholders, to (i) increase the number of shares of common stock available for grant under the 2000 Stock Option Plan, and (ii) remove the limit on the maximum number of options that may be awarded to any eligible individual under the 2000 Stock Option Plan. The Board of Directors believes that these increases will increase stockholder value by further aligning the interests of key individuals with the interests of our stockholders by providing a greater opportunity to benefit from stock price appreciation that generally accompanies improved financial performance.

GENERAL

The following summary of the 2000 Stock Option Plan is subject, in its entirety, to the specific language of the 2000 Stock Option Plan, a copy of which is attached to the proxy statement as Exhibit A.

Our 2000 Stock Option Plan was adopted by the Board of Directors on April 28, 2000 and has been approved by our stockholders. 500,000 shares of common stock were initially reserved for issuance under the 2000 Stock Option Plan. As of the Record Date, options to purchase approximately 444,000 shares were outstanding under the 2000 Stock Option Plan and approximately 56,000 shares were available for future grant under the 2000 Stock Option Plan prior to its amendment and restatement.

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DESCRIPTION OF THE 2000 STOCK OPTION PLAN

PURPOSE. The Board of Directors believes that our long term success is dependent upon our ability to attract and retain highly qualified individuals who, by virtue of their ability and qualifications, make important contributions to theglobe. The 2000 Stock Option Plan is intended to strengthen us by providing an incentive to our employees, officers, consultants and directors and thereby encourage them to devote their abilities to the success of our business enterprise. We believe that grants of stock options and restricted stock motivate high levels of performance and provide an effective means of recognizing employee contributions to the success of theglobe. At present, most newly hired full-time employees are granted options. We believe that this policy is of great value in recruiting and retaining highly qualified technical and other key personnel who are in demand in the industry. The Board believes that the ability to grant options and restricted stock will be important to our future success by allowing us to remain competitive in attracting and retaining key personnel.

ADMINISTRATION. The 2000 Stock Option Plan is administered by a committee of the Board of Directors (the "Committee"). Pursuant to the terms of the 2000 Stock Option Plan, the Committee may consist of the full Board of Directors or may consist of at least two non-employee directors. Accordingly, until such time as

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non-employee directors are appointed to the Board of Directors, the Board of Directors shall act as the Committee. All questions of interpretation of the 2000 Stock Option Plan are determined by the Committee, and its determinations are final and binding upon all participants. Generally, the Committee (1) approves those persons to whom options and other awards will be granted, and (2) determines the terms and conditions of options and other awards, including the purchase price per share of options and the vesting provisions of all awards. Each of the Committee and the entire Board has the authority to make amendments or modifications to outstanding options and other awards consistent with the 2000 Stock Option Plan's terms.

ELIGIBILITY. Any of our employees, officers, consultants, advisors or directors are eligible to participate in the 2000 Stock Option Plan. Incentive stock options, qualified under Section 422 of the Code, may be granted only to employees, including officers of theglobe. Nonqualified stock options and shares of restricted stock may be granted to our employees, directors, consultants or other independent advisors.

OPTIONS.

Employee Options. The Committee may grant both incentive stock options and nonqualified stock options to eligible individuals. Each stock option is evidenced by a stock option agreement between theglobe and the person to whom such option is granted. The exercise price of stock options under the 2000 Stock Option Plan are determined by the Committee. In the case of an incentive stock option, the exercise price must not be less than 100% of the fair market value of the common stock on the date the option is granted (except that in the case of an option granted to a stockholder who, immediately prior to such grant, owns stock representing more than 10% of the voting power or value of all classes of stock of theglobe, the exercise price must not be less than 110% of such fair market value). Stock options vest and become exercisable as determined by the Committee at grant, Special rules may apply in the case of an optionee's death or disability.

Formula Options. Each director who becomes an eligible non-employee director for the first time receives an initial grant of options to acquire 25,000 shares of our common stock. In addition, each eligible non-employee director will receive an annual grant of options to acquire 7,500 shares of our common stock ("Formula Options") on the first business day following each annual meeting of stockholders that occurs while the 1998 Stock Option Plan or 2000 Stock Option Plan is in effect. At the time when no further shares are available for future grant under the 1998 Stock Option Plan, the Formula Options will continue to be granted under the 2000 Stock Option Plan. The purchase price per share for shares under each Formula Option will be equal to 100% of the fair market value of a share on the date of grant. If an optionee's service as a director terminates for any reason other than "cause" (as defined under the 2000 Stock Option Plan), the Formula Options become fully vested and may be exercised at any time within two years of termination. If a director's service terminates for cause, the Formula Options immediately terminate.

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Term. Each stock option terminates on the tenth anniversary of grant unless terminated earlier, or if later, the first anniversary of the date of the optionee's death, if such death occurs prior to the tenth anniversary.

Nontransferability of Options. An option may not be transferred other than by will or the laws of descent and distribution or, in the case of an option

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other than an incentive stock option, pursuant to a domestic relations order. An option shall be exercisable during the lifetime of such optionee only by the optionee or his or her guardian or legal representative. The Committee may, however, set forth in an option agreement (other than for an incentive stock option) that the option may be transferred to an immediate family member, trusts solely for the benefit of such immediate family members, and partnerships in which such family members and trusts are the only partners. Such permitted transferee shall be deemed to be the optionee.

RESTRICTED STOCK. The Committee will determine the terms of each restricted stock award at the time of grant, including the price, if any, to be paid by the grantee for the restricted stock and the restrictions placed on the shares, if any. In addition, at the time of grant, the Committee, in its discretion, may decide:

- o whether any deferred dividends will be held for the grantee or deferred until the restriction lapses;
- o whether any deferred dividends will be reinvested in additional shares of common stock or held in cash;
- o whether interest will accrue on any dividends that are not reinvested in additional shares of restricted stock; and
- o whether any stock dividends paid will be subject to the restrictions applicable to the restricted stock award.

Shares of restricted stock are non-transferable until all restrictions upon such shares lapse.

ADJUSTMENTS UPON CHANGES IN CAPITALIZATION. In the event of certain changes in capitalization of theglobe, the Committee will adjust the maximum number and class of shares or other stock or securities with respect to which options and restricted stock awards may be granted under the 2000 Stock Option Plan or to any eligible individual in any three consecutive calendar year period, the number and class of shares or other stock or securities which are subject to outstanding options and restricted stock awards and the purchase price therefore, if applicable.

CHANGE IN CONTROL. In the event of a merger or consolidation of theglobe with or into another corporation, or a sale of substantially all of theglobe's assets, each outstanding option and award of restricted stock shall be assumed, or an equivalent option or award of restricted stock will be substituted, by the successor company. The options and awards will remain subject to all conditions and restrictions applicable prior to the assumption or substitution. In the event that the successor company refuses to or does not assume the outstanding options and awards, or in the event that the Committee accelerates the exercisability of the options and/or vesting of restricted stock, the Committee may authorize the redemption of the shares and/or the unexercised portion of the options outstanding for an amount equal to the consideration payable per share of Common Stock in connection with any transaction described above less, in the case of options, the purchase price per share subject to the option.

AMENDMENT AND TERMINATION. The Board of Directors may at any time or from time to time amend, modify, suspend or terminate the 2000 Stock Option Plan. However, no amendment, modification, suspension or termination may adversely effect any outstanding options or awards of restricted stock without the optionee's consent. The 2000 Stock Option Plan will terminate by its terms no later than April 28, 2010.

AWARDS UNDER THE 2000 STOCK OPTION PLAN

Grants under the 2000 Stock Option Plan are made at the discretion of the Committee. Consequently, theglobe cannot currently determine the number of additional shares of common stock that may be subject to options granted in the future under the 2000 Stock Option Plan.

Approximately 125 individuals are eligible to participate in the 2000 Stock Option Plan. As of the Record Date the market price of a share of our common stock was \$0.47. There were approximately 444,000 options and no restricted stock granted to employees under the 2000 Stock Option Plan as of the Record Date.

CERTAIN TAX INFORMATION

Options granted under the 2000 Stock Option Plan may be either "incentive stock options," as defined in Section 422 of the Code, or "nonqualified stock options."

INCENTIVE STOCK OPTION. An incentive stock option results in no taxable income to the optionee or a deduction to us at the time it is granted or exercised. However, upon the exercise of an incentive stock option, the excess of the fair market value on the date of exercise of the shares received over the exercise price of the option will be an item of tax preference and may result in an alternative minimum tax liability for the grantee. If the optionee holds the stock received as a result of an exercise of an incentive stock option for more than two years from the date of the grant and one year from the date of exercise, then the gain from the sale of the stock is treated as long-term capital gain. If the shares are disposed of during this period, the option will be treated as a non-qualified stock option. We receive a tax deduction only if the shares are disposed of during such period. Subject to satisfying applicable reporting requirements and Section 162(m) of the Code, the amount of the deduction is equal to the amount of taxable income to the optionee.

NONQUALIFIED STOCK OPTION. A non-qualified stock option results in no taxable income to the optionee or deduction to us at the time it is granted. An optionee exercising such an option will, at that time, realize taxable compensation in the amount of the difference between the option price and the then fair market value of the shares. Subject to satisfying applicable reporting requirements and Section 162(m) of the Code, theglobe will be entitled to a deduction in the same amount.

The discussion above assumes that at the time of exercise, the sale of the shares at a profit would not subject an optionee to liability under Section 16(b) of the Exchange Act. Special rules may apply with respect to persons who may be subject to Section 16(b) of the Exchange Act. Participants who are or may become subject to Section 16 of the Exchange Act should consult with their own tax advisors in this regard.

EXCISE TAXES. Under certain circumstances, the accelerated vesting or exercise of options in connection with a change in control involving us might be considered an "excess parachute payment" for purposes of the golden parachute tax provisions of Section 280G of the Code. To the extent those provisions apply, an optionee may be subject to a 20% excise tax and we or our subsidiaries or affiliates may be denied a tax deduction.

SECTION 162(M). Section 162(m) of the Code generally disallows a federal income tax deduction to any publicly held corporation for compensation paid to certain

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"covered employees" in excess of \$1 million in any taxable year. "Covered employees" are a company's chief executive officer on the last day of the taxable year and any other individual whose compensation is required to be reported to stockholders in its proxy statement under the Exchange Act. There are certain exceptions from this deduction limitation, however, awards under the 2000 Stock Option Plan will not satisfy any of these exceptions.

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THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR APPROVAL OF THEGLOBE'S 2000 STOCK OPTION PLAN, AS AMENDED AND RESTATED.

We will vote your shares as you specify on the enclosed proxy card. If you do not specify how you want your shares voted, we will vote them FOR approval of the 2000 Stock Option Plan, as amended and restated.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding beneficial ownership of our common stock as of the record date of October 6, 2004 by (i) each person who owns beneficially more than 5% of our common stock, (ii) each of our directors, (iii) each of the officers named in the table under the heading "Executive Compensation-Summary Compensation Table," for 2003 (our "Named Executive Officers"), and (iv) all directors and executive officers as a group. A total of 155,777,941 shares of theglobe.com's common stock were issued and outstanding on October 6, 2004 and 175,000 shares of Series H Preferred Stock (convertible under certain circumstances into 17,500,000 shares of common stock as of the record date) were issued and outstanding as of such date.

The amounts and percentage of common stock beneficially owned are reported on the basis of regulations of the Securities and Exchange Commission ("SEC") governing the determination of beneficial ownership of securities. Under the rules of the SEC, a person is deemed to be a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of such security, or "investment power," which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days. Under these rules, more than one person may be deemed a beneficial owner of the same securities and a person may be deemed to be a beneficial owner of securities as to which such person has no economic interest. Unless otherwise indicated below, the address of each person named in the table below is in care of theglobe.com, inc., P.O. Box 029006, Fort Lauderdale, Florida 33302.

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DIRECTORS, NAMED EXECUTIVE OFFICERS AND 5% STOCKHOLDERS	SHARES BENEFICIALLY OWNED		
	NUMBER	PERCENT	TITLE OF CLASS
Dancing Bear Investments, Inc. (1)	8,303,148	5.3%	Common
Michael S. Egan (2) (9)	87,644,500	50.3%	Common

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(10)	143,499	82.0%	Series H Preferred
Edward A. Cespedes (3)	2,460,211	1.6%	Common
Robin S. Lebowitz (4)	622,993	*	Common
Albert J. Detz (5)	83,334	*	Common
E&C Capital Partners LLLP (6)	61,168,765	36.0%	Common
(10)	143,499	82.0%	Series H Preferred
Wellington Management Company, LLP (7)	27,131,250	16.5%	Common
Paul Soltoff (8)	10,435,958	6.5%	Common
(10)	50,916	29.1%	Series H Preferred
Stockholder Agreement Group (9)	87,644,500	50.3%	Common
(10)	143,499	82.0%	Series H Preferred
All directors and executive officers			
as a group (5 persons)	91,063,807	51.3%	Common
(10)	143,499	82.0%	Series H Preferred

 * less than 1%

(1) Dancing Bear Investments Inc.'s mailing address is P.O. Box 029006, Ft. Lauderdale, FL 33302. Mr. Egan owns Dancing Bear Investments, Inc.

(2) Includes the shares that Mr. Egan is deemed to beneficially own as the controlling investor of Dancing Bear Investments, Inc. and E&C Capital Partners, LLLP and as the Trustee of the Michael S. Egan Grantor Retained Annuity Trusts for the benefit of his children. Also includes (i) 3,840,211 shares of our common stock issueable upon exercise of options that are currently exercisable and 502 shares of our common stock issueable upon exercise of options that are exercisable within 60 days of October 6, 2004; (ii) 3,541,337 shares of our common stock held by Mr. Egan's wife, as to which he disclaims beneficial ownership; and (iii) 204,082 shares of our common stock issueable upon exercise of warrants at \$1.22 per share owned by Mr. Egan and his wife.

(3) Includes 2,460,211 shares of our common stock issueable upon exercise of options that are currently exercisable.

(4) Includes 622,993 shares of our common stock issueable upon exercise of options that are currently exercisable.

(5) Includes 71,667 shares of our common stock issueable upon exercise of options that are currently exercisable, and 11,667 shares of our common stock issueable upon exercise of options that are exercisable within 60 days of October 6, 2004.

(6) E&C Capital Partners, LLLP is a privately held investment vehicle controlled by our Chairman, Michael S. Egan. Our President, Edward A. Cespedes, has a minority, non-controlling interest in E&C Capital Partners, LLLP. E&C Capital Partners, LLLP's mailing address is P.O. Box 029006, Ft. Lauderdale, FL 33302. Includes 14,349,869 shares of common stock and 143,499 shares of Series H Preferred Stock (convertible upon the occurrence of the Certificate of Amendment into an aggregate of approximately 14,349,900 shares of common stock) over which E&C holds an irrevocable proxy pursuant to the Stockholders' Agreement.

(7) Includes 9,043,750 shares of our common stock issuable upon exercise of warrants at \$0.001 per share. All of such shares and warrants are owned of record by client accounts and funds for which Wellington Management Company, LLP acts as manager or advisor. Wellington's mailing address is 75 State Street, Boston, MA 02109.

(8) Includes 5,091,600 shares of Common Stock issuable upon the conversion of the Series H Preferred Stock and 238,669 shares of Common Stock issuable upon exercise of options that are currently exercisable (there are no shares of our common stock issuable upon exercise of options that are exercisable within 60 days of October 6, 2004).

(9) In connection with the SendTec Acquisition, the Company and certain former executives of SendTec (consisting of Paul Soltoff, Eric Obeck, Donald Gould, Harry Greene and Irv and Nadine Brechner) entered into a Stockholders' Agreement dated September 1, 2004 with Dancing Bear Investments, Inc., E&C Capital Partners, LLLP ("E&C"), Michael S. Egan and Edward Cespedes (the "Stockholders' Agreement"). Pursuant to the Stockholders' Agreement the SendTec executives granted an irrevocable proxy to vote their shares to E&C on all matters (including the election of directors) other than with respect to certain potential affiliated transactions involving Messrs. Egan or Cespedes. The amount set forth in the table includes 14,349,869 shares of common stock and 143,499 shares of Series H Preferred Stock (convertible upon occurrence of the Certificate of Amendment into an aggregate of approximately 14,349,900 shares of common stock) over which E&C holds such irrevocable proxy. The amount set forth in the table also includes 3,840,211 shares of our common stock issuable upon exercise of options that are currently exercisable and 502 shares of our common stock issuable upon exercise of options that are exercisable within 60 days of October 6, 2004 for Michael S. Egan, but does not include options of an aggregate of 3,152,048 held by the other members of the Stockholder Agreement Group. Please also refer to the appropriate footnotes relating to each individual member of the Stockholder Agreement Group.

(10) The shares of Series H Preferred Stock are convertible upon the approval and filing of the Certificate of Amendment (Proposal No. 2 in this proxy statement) on a 100 shares of common stock for each share of Series H Preferred Stock basis. E&C holds an irrevocable proxy to vote these shares pursuant to the Stockholders' Agreement described in Note (9) above.

EXECUTIVE COMPENSATION

The following table sets forth information concerning compensation for services in all capacities awarded to, earned by or paid by us to our those persons serving as the chief executive officer at any time during the last year and our two other most highly compensated executive officers (collectively, the "Named Executive Officers"):

SUMMARY COMPENSATION TABLE

LONG-TERM
COMPENSATION (1)

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NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION		NUMBER OF SECURITIES UNDERLYING OPTIONS (#)	ALL OTHER COMPENSATION
		SALARY (\$)	BONUS (\$)		
Michael S. Egan, Chairman, Chief Executive Officer (2)	2003	125,000	50,000	1,000,000	
	2002	-	-	2,507,500	
	2001	-	-	7,500	
Edward A. Cespedes, President (3)	2003	\$ 225,000	\$ 50,000	550,000	\$
	2002	\$ 100,000	\$ 25,000	1,757,500	\$ 4
Robin S. Lebowitz, Chief Financial Officer(4)	2003	\$ 137,500	\$ -	100,100	
	2002	\$ 58,350	\$ 10,000	507,500	

(1) Included in long-term compensation for 2003 are 1,650,000 options granted during the year at \$0.56 per share to the Named Executive Officers. Details of these grants may be found in the table of Options Grants in 2003 on page 18. Included in long-term compensation for 2002 are 7,500 options granted to each of Messrs. Egan and Cespedes and Ms. Lebowitz in June 2002 at an exercise price of \$0.04 per share in accordance with the Company's Director Compensation Plan; 2,500,000, 1,750,000, and 500,000 options granted in June 2002 at an exercise price of \$0.02 per share related to bonuses earned in 2002 for Messrs. Egan and Cespedes and Ms. Lebowitz, respectively. Included in long-term compensation for 2001 are 7,500 options granted to Mr. Egan in June 2001 at an exercise price of \$0.23 in accordance with the Company's Director Compensation Plan.

(2) Mr. Egan became an executive officer in July 1998. We began paying Mr. Egan a base salary in July of 2003. We did not pay Mr. Egan a base salary in 2002 or 2001. Mr. Egan's 2003 bonus was accrued but not paid in 2003 as he chose to defer his 2003 bonus.

(3) Mr. Cespedes became President in June 2002. Prior to this, Mr. Cespedes served as a consultant to the Company and was paid \$41,668 for these services. Mr. Cespedes' 2003 bonus was accrued but not paid in 2003 as he chose to defer his 2003 bonus.

(4) Ms. Lebowitz became an officer of the Company in June of 2002 and Chief Financial Officer in July of 2002. In February of 2004, Ms. Lebowitz became Vice President of Finance.

Albert J. Detz. Albert Detz was appointed Chief Financial Officer of theglobe.com on June 3, 2004. His current base salary is \$175,000 per year. He also received options to acquire 200,000 shares at an exercise price of \$0.38 per share. 60,000 of these options vested immediately and the balance vest ratably on a quarterly basis over 3 years. From October 2002 to June 2004 Mr. Detz was retired. From January 2001 to September 2002, Mr. Detz served as Vice President, Finance for NationsRent, Inc. From July 1998 to August 2000, Mr. Detz served as Senior Vice President and Chief Financial Officer of Gerald Stevens, Inc. During 1998 and 1999, Mr. Detz additionally served as Vice President, Chief Financial Officer of Data Core Software Corporation during their development stage period. Mr. Detz worked at Blockbuster Entertainment Group, a division of

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Viacom Inc. from 1991 to 1997, having most recently served as Senior Vice President and Chief Financial Officer from October 1994 to June 1997. Prior to Blockbuster, Mr. Detz served in various finance related positions including Vice President, Corporate Controller, for 11 years within the Computer Systems Division of Gould Electronics, Inc., and at Encore Computer Corporation. Prior to these experiences, Mr. Detz worked in the audit department of Coopers & Lybrand. Mr. Detz is a graduate of the Pennsylvania State University where he received his Bachelors degree in Business Administration.

Paul Soltoff. Paul Soltoff has served as Chairman of the Board and Chief Executive Officer of SendTec since its inception in February 2000. Commensurate with the SendTec merger on September 1, 2004, Mr. Soltoff continued in the position of Chief Executive Officer of SendTec, now theglobe.com's wholly owned subsidiary, and was elected to theglobe.com's Board of Directors. His current base salary is \$300,000 per year. He also received options to acquire 447,337 shares at an exercise price of \$0.06 that were granted pursuant to the terms and conditions of the Agreement and Plan of Merger dated as of August 31, 2004 among the issuer, a subsidiary of the issuer, and SendTec, Inc., one-half of which vested on September 30, 2004 and the remaining one-half vests on September 30, 2005.

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AGGREGATED OPTION EXERCISES IN THE LAST FISCAL YEAR AND 2002 YEAR-END OPTION VALUES

The following tables set forth for each of the Named Executive Officers (a) the number of options exercised during 2003, (b) the total number of unexercised options for common stock (exercisable and unexercisable) held at December 31, 2003, (c) the value of those options that were in-the-money on December 31, 2003 based on the difference between the closing price of our common stock on December 31, 2003 and the exercise price of the options on that date, and (d) the total number of option grants to such persons in the last fiscal year.

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED	NUMBER OF SECURITIES UNDERLYING UNEXERCISED STOCK OPTIONS AT FISCAL YEAR-END (#)		VALUE OF UNEXERCISED I MONEY STOCK OPTIONS AT YEAR-END (1)	
			EXERCISABLE	UN-EXERCISABLE	EXERCISABLE	UN-EXERCISABLE
Michael S. Egan	-	-	3,837,298	7,702	4,053,562	9
Edward A. Cespedes	-	-	2,456,362	8,638	2,724,562	9
Robin S. Lebowitz	-	-	616,897	17,183	751,634	22

(1) Value represents closing price of our common stock on December 31, 2003 less the exercise price of the stock option, multiplied by the number of shares exercisable or unexercisable, as applicable.

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OPTION GRANTS IN 2003

UNDERLYING NAME	NUMBER OF EMPLOYEES OPTIONS	SECURITIES PRICE GRANTED	PERCENT OF TOTAL OPTIONS GRANTED TO IN 2003	EXERCISE OR BASE (\$/SHARE)	EXPIRATION DATE
Michael S. Egan	1,000,000	(1)	25.86%	\$0.56	5/22/2013
Edward A. Cespedes	550,000	(1)	14.22%	\$0.56	5/22/2013
Robin S. Lebowitz	100,000	(1)	2.59%	\$0.56	5/22/2013

1. These options were granted on May 21, 2003. These stock options vested immediately and have a life of ten years from date of grant.

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EMPLOYMENT AGREEMENTS

CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT AND PRESIDENT EMPLOYMENT AGREEMENT. On August 1, 2003, we entered into separate employment agreements with our Chief Executive Officer ("CEO"), Michael S. Egan, and our President, Edward A. Cespedes. The two employment agreements are substantially similar and each provides for the following:

- o employment as one of our executives;
- o an annual base salary of \$250,000 with eligibility to receive annual increases as determined in the sole discretion of the Board of Directors;
- o an annual cash bonus, which will be awarded upon the achievement of specified pre-tax operating income (not be less than \$50,000 per year);
- o participation in all welfare, benefit and incentive plans (including equity based compensation plans) offered to senior management;
- o a term of employment which commenced on August 1, 2003 and continues through the first anniversary thereof. The term automatically extends for one day each day unless either the Company or executive provides written notice to the other not to further extend. The agreement provides that, in the event of termination by us without "cause" or by the executive for "good reason" (which includes a "Change of Control"), the executive will be entitled to receive from us:
 - o his base salary through the date of termination and an amount equal to the product of (x) the higher of (i) the executive's average annual incentive paid or payable under the Company's

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annual incentive plan for the last three full fiscal years, including any portion which has been earned but deferred and (ii) the annual incentive paid or payable under the Company's annual incentive plan for the most recently completed fiscal year, including any portion thereof which has been earned but deferred (and annualized if the fiscal year consists of less than twelve full months or, if during which, the executive was employed for less than twelve full months) and (y) a fraction, the numerator of which is the number of days in the current fiscal year through the date of termination, and the denominator of which is 365;

- o any accrued vacation pay;
- o a lump-sum cash payment equal to ten (10) times the sum of executive's base salary and highest annual incentive;
- o for the continued benefit of executive, his spouse and his dependents for a period of ten (10) years following the date of termination, the medical, hospitalization, dental, and life insurance programs in which executive, his spouse and his dependents were participating immediately prior to the date of termination at the level in effect and upon substantially the same terms and conditions as existed immediately prior to the date of termination;
- o reimbursement for any reasonable and necessary monies advanced or expenses incurred in connection with the executive's employment; and
- o executive will be vested, as of the date of termination, in all rights under any equity award agreements (e.g., stock options that would otherwise vest after the date of termination) and in the case of stock options, stock appreciation rights or similar awards, thereafter shall be permitted to exercise any and all such rights until the earlier of (i) the third anniversary of the date of termination and (ii) the end of the term of such awards (regardless of any termination of employment restrictions therein contained) and any restricted stock held by executive will become immediately vested as of the date of termination.

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CHIEF FINANCIAL OFFICER EMPLOYMENT AGREEMENT. We also entered into an employment agreement with our then Chief Financial Officer ("CFO"), Robin Segaul Lebowitz, on August 1, 2003. Her employment agreement provides for the following:

- o employment as one of our executives;
- o an annual base salary of \$150,000 with eligibility to receive annual increases as determined in the sole discretion of the Board of Directors;
- o a discretionary annual cash bonus, which will be awarded at our Board's discretion;
- o participation in all welfare, benefit and incentive plans (including equity based compensation plans) offered to senior management;

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- o term of employment which commenced on August 1, 2003 and continues through the first anniversary thereof. The term automatically extends for one day each day unless either the Company or executive provides written notice to the other not to further extend. The agreement provides that, in the event of termination by us without "cause" or by the executive for "good reason" (which includes a "Change of Control"), the executive will be entitled to receive from us:
 - o her base salary through the date of termination and an amount equal to the product of (x) the higher of (i) the executive's average annual incentive paid or payable under the Company's annual incentive plan for the last three full fiscal years, including any portion which has been earned but deferred and (ii) the annual incentive paid or payable under the Company's annual incentive plan for the most recently completed fiscal year, including any portion thereof which has been earned but deferred (and annualized if the fiscal year consists of less than twelve full months or, if during which, the executive was employed for less than twelve full months) and (y) a fraction, the numerator of which is the number of days in the current fiscal year through the date of termination, and the denominator of which is 365;
 - o any accrued vacation pay;
 - o a lump-sum cash payment equal to two (2) times the sum of executive's base salary and highest annual incentive;
 - o for the continued benefit of executive, her spouse and her dependents for a period of two (2) years following the date of termination, the medical, hospitalization, dental, and life insurance programs in which executive, her spouse and her dependents were participating immediately prior to the date of termination at the level in effect and upon substantially the same terms and conditions as existed immediately prior to the date of termination;
 - o reimbursement for any reasonable and necessary monies advanced or expenses incurred in connection with the executive's employment; and
 - o executive will be vested, as of the date of termination, in all rights under any equity award agreements (e.g., stock options that would otherwise vest after the date of termination) and in the case of stock options, stock appreciation rights or similar awards, thereafter shall be permitted to exercise any and all such rights until the earlier of (i) the third anniversary of the date of termination and (ii) the end of the term of such awards (regardless of any termination of employment restrictions therein contained) and any restricted stock held by executive will become immediately vested as of the date of termination.

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Effective February 23, 2004, Ms. Lebowitz's employment agreement was amended. Ms. Lebowitz's new title is Vice President, Finance and effective June 1, 2004 her annual base salary is \$140,000.

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CHIEF FINANCIAL OFFICER AND TREASURER AGREEMENT. We also entered into an agreement with our Chief Financial Officer ("CFO") and Treasurer, Albert J. Detz, on June 3, 2004. The agreement provides for the following:

- o an annual base salary of \$175,000 with eligibility to receive annual increases as determined in the sole discretion of the Board of Directors;
- o a grant of 200,000 options to acquire theglobe.com Common Stock at an exercise price of \$0.38 per share. 60,000 of these options vested immediately and the balance vest ratably on a quarterly basis over 3 years;
- o a discretionary annual cash bonus, which will be awarded at our Board's discretion;
- o participation in all welfare, benefit and incentive plans offered to senior management of the Company; and
- o although there is no stated term of employment, in the event of termination by us after six months of employment but less than one year, the executive will be entitled to receive from us his base salary for a period of three months from the date of such termination. In the event of termination by us after one year of employment, the executive will be entitled to receive from us his base salary for a period of six months from the date of such termination.

SENDTEC CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT. As part of the SendTec Acquisition, on September 1, 2004, we entered into an employment agreement with Paul Soltoff to continue as Chief Executive Officer ("CEO") of SendTec, Inc., now a wholly-owned subsidiary of the Company. His employment agreement provides for the following:

- o an annual base salary of \$300,000 with eligibility to receive annual increases as determined in the sole discretion of the Board of Directors;
- o a discretionary annual cash bonus, which will be awarded at our Board's discretion;
- o participation in all welfare, benefit and incentive plans offered to senior management of the Company;
- o a 5 year term of employment which commenced on September 1, 2004. The agreement provides that, in the event of termination by us without "cause" or by the executive for "good reason", the executive will be entitled to receive from us: his base salary for a period of 2 years from the date of such termination; any accrued vacation pay or sick pay; and for the continued benefit of executive, his spouse and his dependents for a period of one (1) year following the date of termination, the medical, hospitalization, dental, and life insurance programs in which executive, his spouse and his dependents were participating immediately prior to the date of termination at the level in effect and upon substantially the same terms and conditions as existed immediately prior to the date of termination; and
- o customary provisions relating to confidentiality, work-product and covenants not to compete.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

ARRANGEMENTS WITH ENTITIES CONTROLLED BY VARIOUS DIRECTORS AND OFFICERS. On November 14, 2002, E & C Capital Partners, LLLP ("E&C Partners"), a privately held investment holding company owned by Michael S. Egan, our Chairman and CEO and a major stockholder, and Edward A. Cespedes, our President and a Director, entered into a non-binding letter of intent with theglobe.com to provide \$500,000 of new financing via the purchase of shares of a new Series F Preferred Stock of theglobe.com. On March 28, 2003, the parties signed a Preferred Stock Purchase Agreement and other related documentation pertaining to the investment and closed on the investment. Pursuant to the Preferred Stock Purchase Agreement, E & C Capital Partners received 333,333 shares of Series F Preferred Stock convertible into shares of the Company's Common Stock at a price of \$0.03 per share. The conversion price was subject to adjustment upon the occurrence of certain events, including downward adjustment on a weighted-average basis in the event the Company issued securities at a purchase price below \$0.03 per share. If fully converted, and without regard to the anti-dilutive adjustment mechanisms applicable to the Series F Preferred Stock, an aggregate of approximately 16,666,650 million shares of Common Stock would be issuable. The Series F Preferred Stock had a liquidation preference of \$1.50 per share (and was thereafter entitled to participate with the Common Stock on an "as converted" basis), and was entitled to a dividend at the rate of 8% per annum if and to the extent declared by the board and was also entitled to participate in any dividend declared on the Company's common stock. The Series F Preferred Stock also was entitled to vote on an "as converted" basis with the holders of Common Stock. In addition, as part of the \$500,000 investment, E & C Partners received warrants to purchase approximately 3.3 million shares of theglobe.com Common Stock at an exercise price of \$0.125 per share. The warrant was exercisable at any time on or before March 28, 2013. E & C Partners also received certain demand registration rights in connection with its investment.

On May 22, 2003, E&C Partners and certain trusts, of which Mr. Egan is the trustee, entered into a Note Purchase Agreement with the Company pursuant to which they acquired convertible promissory notes (the "Convertible Notes") in the aggregate principal amount of \$1,750,000. The Convertible Notes were convertible at anytime into shares of the Company's common stock at a blended rate of \$.09 per share (the Convertible Note held by E&C were convertible at approximately \$.079 per share and the Convertible Notes held by the Trusts were convertible at \$.10 per share), which if fully converted, would result in the issuance of approximately 19,445,000 shares. The Convertible Notes had a one year maturity date, which could be extended at the option of the holder of the Note for periods aggregating two years, and was secured by a pledge of substantially all of the assets of the Company. In addition, E&C Partners was issued a warrant to acquire 3,888,889 shares of theglobe.com common stock at an exercise price of \$.15 per share. The warrant was exercisable at any time on or before May 22, 2013. E&C Partners and the trusts are entitled to certain demand and piggy-back registration rights in connection with their investment.

On February 2, 2004, Michael S. Egan (our Chairman and Chief Executive Officer) and his wife, S. Jacqueline Egan, entered into a Note Purchase Agreement with the Company pursuant to which they acquired convertible promissory notes (the "Bridge Notes") in the aggregate principal amount of \$2,000,000. The Bridge Notes were convertible at anytime into shares of the Company's common stock at an initial rate of \$.98 per share. The conversion rate was initially adjustable based on an amount equal to the rate at which the Company sold its common stock in any subsequent qualified private offering (defined as an offering which raises a minimum of \$7.5 million) (or at a 20% discount to such amount,

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depending upon the timing of completion, and amount of, such private offering). This conversion was subsequently adjusted to \$.57 per share, which was the effective per share rate of the subsequent qualified private offering (and which is referenced elsewhere in this prospectus as the "PIPE Offering"). The Bridge Notes were due on demand from the holder, and were secured by a pledge of substantially all of the assets of the Company. The security interest was shared with the holders of the Company's Secured Convertible Notes in the principal amount of \$1,750,000. The Bridge Notes paid interest at the rate of ten (10) percent per annum. In addition, the Egans were issued a warrant to acquire 204,082 shares of theglobe.com common stock at an initial exercise price of \$1.22 per share. This warrant is exercisable at any time on or before February 2, 2009. The Egans are entitled to certain demand and piggy-back registration rights in connection with this investment.

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On March 11, 2004, theglobe.com, inc. completed the PIPE Offering. In connection with the PIPE Offering, Mr. Egan, our Chairman, Chief Executive Officer and principal stockholder, together with certain of his affiliates and other parties, converted the \$2,000,000 Bridge Note, the \$1,750,000 of Secured Convertible Notes and all of the Company's outstanding shares of Series F Preferred Stock, and exercised (on a cashless exercise basis) all of the warrants issued in connection with the foregoing Secured Convertible Notes and Series F Preferred Stock, together with certain warrants issued to Dancing Bear Investments (an affiliate of Mr. Egan). As a result of such conversions and exercises, the Company issued an aggregate of approximately 48.75 million shares of Common Stock to such parties.

Interest expense on the \$1,750,000 Convertible Notes totaled approximately \$108,200, excluding the amortization of the discount on the Notes, during the year ended December 31, 2003. The interest remained unpaid at December 31, 2003, and was included in accrued expenses in our consolidated balance sheet. As a result of the conversion of the \$1,750,000 Convertible Notes into the Company's Common Stock in March 2004, all accrued interest, including approximately \$32,000 relating to the first quarter of 2004, was paid by June 30, 2004. As a result of the conversion of the \$2,000,000 Bridge Note into the Company's Common Stock in March 2004, accrued interest of approximately \$17,500 relating to the first quarter of 2004 was paid by June 30, 2004.

Two of our directors, Mr. Egan and Ms. Lebowitz, also serve as officers and directors of Dancing Bear Investments, Inc. ("Dancing Bear"). Dancing Bear is a stockholder of the Company and an entity controlled by Mr. Egan, our Chairman.

Several entities controlled by our Chairman have provided services to the Company and two of its subsidiaries, including: the lease of office and warehouse space; and the outsourcing of customer service and warehouse functions for the Company's VoIP operations.

We sublease approximately 15,000 square feet of office space for our executive offices from Certified Vacations, a company which is controlled by our Chairman and CEO Michael Egan. The sublease commenced on September 1, 2003 and expires on July 31, 2007. The initial base rent is \$18.91 per square foot on an annual basis (\$283,650 annually in the aggregate) and will increase on each anniversary of the sublease by \$1.50 per square foot. During 2003, approximately \$148,000 of expense was recorded related to the lease of the office space. During the six months ended June 30, 2004, approximately \$118,000 of expense was recorded related to the lease of the office space. In addition, from August 2003 through August 2004 we have outsourced our Customer Service function from Certified Vacations under renewable short term agreements at incremental cost, for which we paid an aggregate of \$109,000 during the year ended December 31, 2003 and

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\$111,000 during the six months ended June 30, 2004.

Beginning in August, 2003, our subsidiary, Voiceglo Holdings, Inc. ("voiceglo"), began outsourcing warehouse space and related services from Thomas Street Logistics LLC, which is controlled by our Chairman and CEO, Michael Egan, and our President, Edward Cespedes. Our agreement with Thomas Street Logistics includes secure warehouse space, equipment rental, insurance, utilities, office space, inventory management, shipping services, personnel and provisioning of our equipment for \$25,000 per month and a nominal shipping and handling fee per item shipped. Effective, April 15, 2004, voiceglo terminated its arrangement with Thomas Street Logistics and has transitioned these functions to voiceglo personnel and warehouse space. During 2003, approximately \$126,000 of expense was recorded for warehouse space and related out-sourcing functions. During the six months ended June 30, 2004, approximately \$110,000 of expense was recorded for warehouse space and related out-sourcing functions.

In addition, as of August 31, 2004, the Company had advanced approximately \$46,000 to a newly formed entity controlled by our Chairman, Global Voice Network LLC. The Company is currently negotiating an agreement with Global Voice Network to provide marketing services to voiceglo for which it will be paid a commission on new business. We are also leasing certain of our employees and facilities to Global Voice Network LLC.

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ARRANGEMENTS WITH RELATIVES. In March 2004, the Company engaged the services of Pay the Rent, a company controlled by the son-in-law of our Chairman and CEO, Michael Egan. Pay the Rent was contracted for the production, audio and video post-production, voice-over, and scoring of a television commercial featuring voiceglo. Payment in full in the amount of \$151,200 was remitted during the six months ended June 30, 2004. In 2003, we reimbursed Pay the Rent \$18,013 for marketing and promotion expenses (at cost) for a separate marketing promotion.

COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

Section 16(a) of the Securities and Exchange Act of 1934 requires our officers and directors, and persons who own more than ten percent (10%) of a registered class of our equity securities, to file certain reports regarding ownership of, and transactions in, our securities with the SEC and with The NASDAQ Stock Market, Inc. Such officers, directors, and 10% stockholders are also required to furnish theglobe with copies of all Section 16(a) forms that they file.

Based solely on our review of copies of Forms 3 and 4 and any amendments furnished to us pursuant to Rule 16a-3(e) and Forms 5 and any amendments furnished to us with respect to the 2003 fiscal year, and any written representations referred to in Item 405(b)(2)(i) of Regulation S-K stating that no Forms 5 were required, we believe that, during the 2003 fiscal year, our officers and directors have complied with all Section 16(a) applicable filing requirements.

RECENT EVENTS

ACQUISITION OF SENDTEC

On September 1, 2004, we closed upon an agreement and plan of merger dated August 31, 2004 (the "Merger Agreement") pursuant to which we acquired all of the issued and outstanding shares of capital stock of SendTec, Inc., a Florida corporation based in St. Petersburg, Florida ("SendTec") through a merger of SendTec with theglobe's wholly owned subsidiary, SendTec Acquisition Corp. (the

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"SendTec Acquisition" or the "Merger"). Pursuant to the terms of the merger, in consideration for the acquisition of SendTec, theglobe paid (or will pay) consideration consisting of: (i) \$6,000,000 in cash, (ii) the issuance of an aggregate of 17,500,000 shares of theglobe's common stock, (iii) the issuance of an aggregate of 175,000 shares of Series H Automatically Converting Preferred Stock (which as more fully described below, is convertible into 17,500,000 shares of theglobe's common stock) (the "Series H Preferred Stock"), and (iv) a subordinated promissory note in the amount of \$1 million (the "Note") (collectively, the "Initial Merger Consideration"). In addition, warrants to acquire shares of common stock would be issued to SendTec shareholders when and if SendTec exceeds forecasted operating income, as defined, of \$10.125 million (the "Income Target"), for the year ending December 31, 2005 (the "Earn-out Consideration" and collectively with the Initial Merger Consideration, the "Merger Consideration"). The number of earn-out warrants would range from an aggregate of 250,000 to 2,500,000 (if actual operating income exceeds the forecast by at least 10%). If and to the extent the warrants are earned, the exercise price of the performance warrants would be \$0.27 per share and they will be exercisable for a period of 5 years. The Note bears interest at the rate of 4% per annum and matures in one lump sum of principal and interest on September 1, 2005. theglobe paid the cash portion of the consideration issued in the Merger from funds which it received from its private offering of approximately \$28.6 million in March of 2004.

The Merger Consideration will be distributed pro rata to the shareholders of SendTec in accordance with their respective ownership interests, except for any shareholder of SendTec who elects to dissent from the Merger and follows applicable Florida law for the exercise of dissenters' rights (whom would instead receive the cash value of their shares following a statutorily prescribed appraisal procedure). As of September 15, 2004, the holders of approximately 87% of SendTec's shares had voted in favor of the Merger and no shareholder had notified SendTec that he or she intended to dissent from the Merger. The remaining shareholders of SendTec have until on or about September 30, 2004, to provide notice of, and to otherwise follow the procedures for, the exercise of dissenter's rights.

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As part of the Merger, 100,000 shares of Series H Preferred Stock (convertible into 10 million shares of common stock) (the "Escrow Shares") are being held in escrow for potential recovery by us in the event of a breach of the Merger Agreement by SendTec or its former shareholders. In general, the Escrow Shares, together with the sums due under the Note, are the sole source of recourse against the shareholders of SendTec in the event of breach of the Merger Agreement and theglobe would not have recourse against the cash portion or other shares of common stock or Series H Preferred Stock distributed to the SendTec shareholders as part of the Merger Consideration. Assuming no claims are then pending, the Escrow Shares will be distributed to SendTec shareholders after expiration of one year from the date of closing.

Except as provided by law, the Series H Preferred Stock will vote with the holders of common stock on all matters on an "as-converted" basis, other than the Certificate of Amendment described below as to which it will not vote. The Series H Preferred Stock will automatically convert into shares of theglobe's common stock on a 1 for 100 basis at such time as theglobe files an amendment to its certificate of incorporation with the Delaware Secretary of State's Office to increase its authorized shares of common stock from 200,000,000 to at least 300,000,000. Proposal No. 2 would accomplish such increase in the Company's common stock. Five of the former shareholders of SendTec (whom collectively received approximately 82% of the shares of common stock issued in the Merger,

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together with theglobe's Chairman, Michael Egan (together with certain affiliates which he controls), have agreed to vote (or have granted proxies to so vote) in favor of the Certificate of Amendment. After giving effect to the proxies from such former SendTec shareholders, Mr. Egan controls the vote over approximately 69.25 million of theglobe's 156 million issued and outstanding shares of common stock (after giving affect to the shares of common stock which may be issued in the Merger).

In the event that the Certificate of Amendment is not approved for any reason at the Annual Meeting then on the 10th day following the failure to approve the Certificate of Amendment, the remaining shares of Series H Preferred Stock will automatically convert into whatever number of shares of Common Stock which theglobe then has remaining available for issuance (after giving affect to approximately 33.7 million shares reserved for issuance under previously outstanding options and warrants), less up to 3 million additional shares as may be designated by theglobe. After giving effect to the reservation of shares underlying outstanding options and warrants to acquire shares of theglobe's common stock (including options issued in connection with the Merger) and the shares of common stock issued in the Merger, theglobe presently has issued and outstanding (or reserved for issuance) approximately 196 million shares of common stock, leaving a maximum of approximately 3 million shares (assuming no further shares of common stock are issued prior to such date) which could be further issued upon conversion of the Series H Preferred Stock absent the increase in common stock contemplated by the Certificate of Amendment or other arrangements satisfactory to the holders of any options or warrants to acquire shares. With regard to any shares of Series H Preferred Stock which theglobe does not automatically convert into shares of common stock, the holders of the Series H Preferred Stock may thereafter convert such remaining Series H Preferred Stock into a subordinated promissory note (a "Conversion Note") from theglobe. If issued, the Conversion Note will be due in one lump sum on the later of the first anniversary of its issuance or December 31, 2005 and will bear interest at the rate of 4% per annum. The principal amount of the Conversion Note would be equal to the product of (A) the number of shares of theglobe's common stock that would have been issued upon conversion of the shares of the Series H Preferred Stock that were not converted into common stock and (B) the lesser of (i) the Fair Market Value, as defined, of theglobe's common stock in the 20 trading days immediately prior to the conversion date and (ii) \$0.83. If none of the remaining shares of Series H Preferred Stock were converted into common stock, the maximum principal amount of the Conversion Note (based upon the maximum conversion rate of \$0.83 per share) would be approximately \$14.5 million.

The Company agreed to file a registration statement relating to the resale of the shares of common stock issued in the Merger and the shares of common stock underlying the Series H Preferred Stock on or before January 29, 2005 and to cause the effectiveness of such registration on or before September 1, 2005. The Company also agreed to keep the registration statement effective until at least the third anniversary of the Closing. Pursuant to the terms of the Merger, in general, the common stock and Series H Preferred Stock (and the underlying shares of common stock) issued in the Merger may not be sold or otherwise transferred for a period of one (1) year without the prior written consent of the Company.

As part of the Merger, five top executives of SendTec entered into new employment agreements with SendTec. These employment agreements each have a term of 5 years and obligate SendTec to pay base salaries ranging from \$300 thousand to \$175 thousand, consistent with the executive's salaries immediately before

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the Merger, and provide for customary health insurance and other benefits commensurate with the benefits which theglobe makes generally available to its officers. As part of the Merger, the Company also increased the size of its Board of Directors from 3 to 4 directors and elected Paul Soltoff, who serves as Chief Executive Officer of SendTec, to the Board.

theglobe also issued an aggregate of approximately 4.0 million replacement options to acquire shares of theglobe's common stock for each of the issued and outstanding options to acquire shares of SendTec held by the former employees of SendTec. Of these replacement options, approximately 3.27 million have exercise prices of \$0.06 per share and approximately 700 thousand have exercise prices of \$0.27 per share. The terms of these replacement options were as negotiated between representatives of theglobe and the Stock Option Committee for SendTec 2000 Amended and Restated Stock Option Plan. theglobe also agreed to grant an aggregate of 250,000 options to other employees of SendTec at an exercise price of \$0.34 per share. Twenty-five percent of these options vested immediately and the balance will vest in 3 equal annual installments assuming the continued employment of the option holders. In addition, theglobe also established a bonus option pool pursuant to which various employees of SendTec could earn options to acquire an aggregate of 1,000,000 shares of theglobe's Common Stock at an exercise price of \$0.27 per share on terms substantially similar to the circumstances in which the Earn-out Consideration may be earned.

To accommodate the foregoing option grants the Board of Directors adopted a new benefit plan titled the 2004 Stock Incentive Plan (the "2004 Plan"). An aggregate of 7.5 million shares of theglobe's common stock may be issued pursuant to the 2004 Plan. The 2004 Stock Incentive Plan will be administered either by the Board of Directors or by a committee of the Board of Directors (the "Committee") in a manner similar to the administration of the 2000 Stock Option Plan. Employees, consultants, and prospective employees and consultants of theglobe and its affiliates and non-employee directors of theglobe are eligible to be granted non-qualified stock options, stock appreciation rights, restricted stock awards, performance awards and other stock-based awards under the 2004 Stock Incentive Plan. Eligibility for awards under the 2004 Plan is determined by the Committee in its sole discretion. The 2004 Stock Incentive Plan authorizes the Committee to grant non-qualified stock options to purchase shares of common stock. The Committee will determine the number of shares of common stock subject to each option, the term of each option, the exercise price, any vesting schedule (including performance criteria), and the other material terms of each option. Options will be exercisable at such times and subject to such terms as determined by the Committee at grant. The 2004 Stock Incentive Plan also authorizes the Committee to grant stock appreciation rights ("SARs") either in tandem with an option or independent of an option. An SAR is a right to receive a payment either in cash or common stock equal in value to the excess of the fair market value of one share of common stock on the date of exercise over the exercise price per share of the SAR. The Committee will determine the terms and conditions of SARs at the time of grant, but generally SARs will be subject to the same terms and conditions as options. The Committee is also authorized to grant restricted stock awards under the 2004 Stock Incentive Plan. Recipients of restricted stock awards enter into an agreement with the Company subjecting the restricted stock awards to transfer and other restrictions and providing the criteria or dates on which such restrictions lapse. Restricted stock awards may vest over time, based on performance criteria or other factors, as determined by the Committee at grant. The 2004 Stock Incentive Plan also authorizes the Committee to grant performance awards entitling participants to receive a fixed number of shares of common stock or cash, as determined by the Committee, upon the attainment of performance goals with respect to a designated performance period. Finally, the 2004 Stock Incentive Plan authorizes the Committee to grant awards of common stock and other awards that are valued in whole or in part by reference to, or are payable in or otherwise based on, common stock, including but not limited to shares of common stock awarded purely as a bonus and shares of common stock in payment of

the amounts due under an incentive or performance plan.

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In connection with the Merger, the SendTec executives (whom collectively received approximately 82% of the shares of common stock and Series H Preferred Stock issued in the Merger), theglobe and Messrs. Michael Egan and Edward Cespedes, our Chairman and Chief Executive Officer and President, respectively (individually and on behalf of certain affiliated entities) entered into a Stockholders' Agreement. Pursuant to the terms of the Stockholders' Agreement, the SendTec executives granted an irrevocable proxy to vote their shares to E&C Capital Partners LLLP, an affiliate of Mr. Egan on all matters (including the election of directors) other than with respect to certain potential affiliated transactions involving Messr. Egan or Cespedes. After giving effect to the grant of the proxy (and excluding outstanding options and warrants held by Mr. Egan), Mr. Egan has voting power over approximately 69.25 million shares of theglobe representing approximately 44.5% of the issued and outstanding securities of the Company entitled to vote on the Certificate of Amendment. The SendTec executives were also granted certain pre-emptive rights involving potential new issuances of securities by theglobe, together with a co-sale right to participate in certain qualifying sales of stock by Messrs. Egan, Cespedes and their affiliates. Messrs. Egan, Cespedes and their affiliates were granted a right of first refusal on certain sales (generally, in excess of 10 million shares) by the SendTec executives, together with the right to "drag-along" the SendTec executives with regard to certain major sales of their stock or a sale or merger of theglobe.

CERTAIN PRIOR RELATIONSHIPS BETWEEN THEGLOBE AND SENDTEC.

SendTec and theglobe are parties to a Marketing Services Master Agreement dated July 23, 2004, whereby SendTec will provide various marketing and advertising services to theglobe and its subsidiaries, including the production of television infomercials and media planning and buying services. The Agreement is for a period of 6 months, subject to early termination by either party on 30 days notice. theglobe is obligated to pay a monthly fee of \$15,000 plus other amounts specific to various work orders which theglobe has placed with SendTec. Based upon 5 specific work orders currently outstanding, theglobe has paid approximately \$330,000 to date and anticipates that it will pay another approximately \$110,000 based upon these work orders.

SENDTEC'S BUSINESS

SendTec was incorporated in February, 2000 in the State of Florida and commenced operations on that date. Originally, SendTec incorporated under the name prizecrazy.com and was envisioned to become a free consumer gaming website that monetized consumer traffic on the website through on-line "cost per impression" or "CPM" advertising. Because of a significant decline in the pricing of on-line CPM advertising during this period of time, the prizecrazy.com web site development was abandoned and the company modified its business strategy so as to become a direct response marketing services company. In conjunction with this change in strategy, prizecrazy.com changed its name to DirectNet Advertising.net ("DNA") to better define the company's operational focus.

At the time, DNA was one of only a few online marketing services companies that was providing performance-based (i.e. cost-per-action, cost per lead, cost per sale) advertising solutions to advertising clients. As part of its marketing services offering, DNA also began developing proprietary software to facilitate the tracking of actions online for its advertisers and its distribution network. Today, SendTec's Results, Optimization, Yield ("ROY") online tracking software

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provides the company with a unique competitive advantage by enabling SendTec to optimize campaigns and by enabling advertising clients and distribution partners to access real-time conversion information. In February of 2002, DNA acquired 100% of the stock of iFactz, Inc. ("iFactz") in a merger transaction. iFactz has developed software that enables the tracking of online response to distinct sources of offline advertising. The iFactz software provides an excellent complementary platform for DNA's ROY tracking software and enables DNA to offer a complete technology tracking solution for online and offline direct response marketing. During this same period of time, DNA changed its name to SendTec, Inc. to better define itself in the market.

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Today, SendTec is a direct response marketing services and technology company. SendTec provides customers a complete offering of direct marketing products and services to help them market their products both on the Internet ("online") and through traditional media channels such as television, radio and print advertising ("offline"). By utilizing SendTec's marketing products and services, SendTec's clients seek to increase the effectiveness and the return on investment of their advertising campaigns. SendTec's online and offline direct marketing products and services include strategic campaign development, creative development, creative production and post-production, media buying and tracking, campaign management, campaign analysis and optimization, technology systems implementation and integration for campaign tracking and many other agency type services. In addition, SendTec has a suite of technology solutions, ROY, SOAR (an acronym for "SendTec Optimization and Reporting") and iFactz, which enable it to deliver, track, and optimize direct marketing campaigns across multiple distribution channels, including television, radio, direct mail, print and the Internet. The combination of SendTec's direct marketing capabilities, technology and experience in both online and offline marketing, enable its clients to optimize their advertising campaigns across a broad spectrum of advertising mediums. SendTec has three operating divisions, DirectNet Advertising, iFactz and Creative South.

DIRECTNET ADVERTISING (DNA)

DNA is the digital marketing services division of SendTec. DNA offers a variety of products and services that enable on-line advertisers and publishers to generate performance based results through online marketing channels such as, web advertising, e-commerce up-sells, affiliate marketing, search marketing and email marketing. DNA's broad range of products and services include creative strategy and execution, strategic offer development, production planning, media planning, media buying and search optimization. Through these products and services DNA's clients can address all aspects of the marketing continuum, from strategic planning through execution, including results management and campaign refinements. DNA's proprietary technologies allow advertisers and publishers to track, report and optimize online campaign activity all the way to the "conversion level" (which means a consumer's actual response to the offer, as for example, by making a purchase). DNA's knowledge of digital advertising strategies, targeting methods, media placements and creative executions combined with its innovative and dependable technology help DNA's clients to improve their advertising performance and return on investment. DNA competes with a variety of large and small advertising agencies but its primary competitors are interactive marketing companies such as ValueClick, aQuantive, Advertising.com and Performics. Currently the online performance based advertising market in which DNA competes is still evolving and it is expected that certain government regulations may eventually be implemented to better define acceptable practices and methodologies.

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IFACTZ

iFactz is SendTec's Application Service Provider or "ASP" technology that tracks and reports the online responses that are generated from offline direct response advertising. Historically, advertisers have lacked the ability to accurately track which offline advertising yields results online and thus advertisers have been unable to properly optimize their media buys. iFactz intelligently tracks and reports web activity from all offline advertising - TV (even national cable), radio, print and direct mail - in real time. iFactz's Intelligent Sourcing(TM) is a patent-pending media technology that informs the user where online customers come from, and what corresponding activity they produced on the user's website. The iFactz patent was filed in November of 2001 and SendTec expects the patent application for iFactz to be reviewed in the 1st quarter of 2005. iFactz's ASP design enables advertisers to implement and access the technology in a timely and cost efficient manner, as there are no cumbersome, time-consuming and costly implementation expenses and lead times. iFactz is licensed to clients both as a stand alone technology solution and as part of an overall campaign offering. SendTec believes that, to date, iFactz has provided SendTec with a significant competitive advantage, and that there are currently no similar technologies available in the market.

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CREATIVE SOUTH

Creative South is the creative strategy, production and media buying division of SendTec. Creative South services both on-line and off-line clients of SendTec, and its production capabilities cover a range of distribution medias including television, radio, direct mail, print and digital. Creative South has developed, produced and distributed numerous direct response television campaigns for customers and has received national awards for its creative and production work. Creative South maintains in-house two state-of-the-art non-linear digital video editing suites. Creative South's production department includes experienced directors, producers and editors on staff. Creative South's media buying department provides a full range of services including strategic media planning, media trafficking, media buying, media tracking and post-buy media and financial analysis. Creative South's media buying department has executed media buying assignments for all types of television (broadcast and cable), radio and print formats and Creative South's long time relationships with its media partners have enabled SendTec to provide its clients competitive media prices.

Since its inception, SendTec has grown from 5 employees to approximately 47 employees currently. The address of SendTec's principal executive offices is 877 Executive Center Drive West Suite 300 St. Petersburg, Florida 33702. SendTec also has an office in New York City.

RISK FACTORS RELATING TO SENDTEC AND THE ACQUISITION

RISKS RELATED TO THEGLOBE.COM'S ACQUISITION OF SENDTEC

OUR LIQUIDITY MAY PERMANENTLY DECREASE AS A RESULT OF THE SENDTEC ACQUISITION. WE MAY REQUIRE ADDITIONAL CAPITAL.

As part of the consideration for the SendTec acquisition, we paid \$6.0 million in cash and issued a subordinated promissory note for \$1.0 million, due one year after the closing, to the SendTec shareholders. As a result of the acquisition, our liquidity is dependent upon the sufficiency of the cash acquired from SendTec in the acquisition, of approximately \$3 million, plus cash flow anticipated to be generated internally by SendTec subsequent to the acquisition.

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If cash flow generated by SendTec, on a short-term and long-term basis, does not meet our expectations, our liquidity may permanently decrease and our fi