
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): January 3, 2008

Jones Soda Co.

(Exact Name of Registrant as Specified in Its Charter)

Washington

(State or Other Jurisdiction of Incorporation)

0-28820

(Commission File Number)

91-1696175

(IRS Employer Identification No.)

234 Ninth Avenue North, Seattle, Washington

(Address of Principal Executive Offices)

98109

(Zip Code)

(206) 624-3357

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 3, 2008, Jones Soda Co. (the “Company”) announced that Joth Ricci has been appointed as the Company’s Chief Operating Officer effective January 3, 2008. Mr. Ricci is expected to start on or about January 22, 2008.

Mr. Ricci, 39, has served as the General Manager of Columbia Distributing Company, a beverage distribution company, since May 2003, and previously served as Columbia Distributing Company’s Vice President of Human Resources & Process Improvement from November 2002 to May 2003 and as a Regional Vice President of Sales & Marketing from November 2000 until October 2002. Columbia Distributing Company is a customer of the Company and maintains distribution right with respect to the Company’s products in the Pacific Northwest.

The Company has entered into an employment letter agreement with Mr. Ricci (the “Employment Agreement”) pursuant to which Mr. Ricci will be entitled to receive (i) an annual base salary of \$245,000, (ii) an annual bonus of up to 100% of Mr. Ricci’s base salary upon the achievement of certain mutually agreed upon bonus objectives, (iii) an annual grant of options to purchase up to 80,000 shares of the Company’s common stock or a comparable number of shares of restricted stock subject to the Company’s stock option plan, (iv) a \$750 monthly car allowance and (v) corporate housing in Seattle, Washington. In addition, pursuant to the Employment Agreement, Mr. Ricci will be entitled to receive a severance benefit equal to six months of his then-current base monthly salary upon the occurrence of certain events and subject to the limitations set forth in the Employment Agreement, and he shall be entitled to receive a severance benefit equal to twelve months of his then-current base monthly salary plus his target bonus, twelve months of continued health benefits, and immediate vesting of any outstanding stock options and restricted stock upon the occurrence of certain other events and subject to the limitations set forth in the Employment Agreement.

A copy of the Company’s press release announcing the appointment of Mr. Ricci is attached to this Current Report on Form 8-K as Exhibit 99.1 and a copy of the Employment Agreement is attached to this Current Report on Form 8-K as Exhibit 99.2, each of which is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

- 99.1 Press Release dated January 3, 2008 issued by Jones Soda Co.
- 99.2 Employment letter agreement between the Company and Joth Ricci dated as of January 3, 2008

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JONES SODA CO.
(Registrant)

Date: January 9, 2008

By: /s/ Hassan N. Natha
Hassan N. Natha
Chief Financial Officer



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News Release

JONES SODA NAMES JOTH RICCI AS CHIEF OPERATING OFFICER

Jan. 3, 2008

Trading Symbol: NASDAQ: JSDA
TSX-V: JSD

SEATTLE — Jones Soda Co. today announced that Joth Ricci has been named Chief Operating Officer (COO) of the Seattle-based beverage company. Ricci is currently General Manager of Portland, Oregon-based Columbia Distributing Company. He will join Jones Soda on January 7, 2008.

“We’ve known Joth for the last couple of years as we’ve had a close working relationship with Columbia Distributing,” said Interim CEO, Stephen Jones. “Joth has a strong marketing and operating background and fits nicely into our plans to compliment our unique Jones Soda creativity with world class strategy and executional excellence. We’re really looking forward to Joth’s leadership.”

Ricci will report to Stephen Jones. Reporting to Ricci will be sales, operations and customer service, including the company’s relationship with National Beverage Corporation, and human resources.

“I’m certainly looking forward to joining the team at Jones Soda,” said Ricci. “Jones is one of the most unique companies in the beverage industry and is known for its extraordinary innovation and creativity. It’s exciting for me to be joining such a dynamic organization.”

Ricci, 39, has been with Columbia Distributing Company since 2000. He is currently General Manager and has served as vice president of Human Resources & Process Improvement, and regional vice president of Sales & Marketing. Before joining Columbia Distributing he spent nearly 10 years with McNeil Consumer Healthcare / Johnson & Johnson. Positions there included director of Customer Marketing, Wal-Mart / Sam’s business director, trade marketing manager, western division manager, customer marketing manager, unit manager, key account manager and account manager.

About Jones Soda Co.

Headquartered in Seattle, Washington, Jones Soda Co., sells its Jones Soda products through its distribution network in select markets across North America. A leader in the premium soda category, Jones is known for its innovative labeling technique that incorporates always-changing photos sent in from its consumers. Jones Soda is sold through traditional beverage retailers and everywhere you’d never expect to find a soda.

This press release contains forward-looking statements and projections concerning the Company’s plans, strategies, expectations, predictions and financial projections concerning the Company’s future activities and results of operations and other future events or conditions, and are “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Words such as “expect,” “believe,” “anticipate,” “may,” “will,” “plan,” “intend,” “estimate,” “could,” and other similar expressions are intended to identify these forward-looking statements. In particular, statements in this release regarding potential growth opportunities, working capital and cash flow management, operational and expense controls, future profitability and results of operations are forward looking. Statements in this press release, and elsewhere, that look forward in time or include anything other than historical information involve risks and uncertainties that may affect the Company’s actual results of operations. These statements by the Company are subject to certain risks, including, among others, future demand for its products,

competition from other businesses providing similar products, the ability to maintain profitability and control expenses and the Company's ability to successfully execute its business strategy. These and other risks and uncertainties are discussed in more detail in the Company's periodic reports filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, which are available at the SEC website at www.sec.gov.

For further information, contact:

Stephen Jones, Interim CEO, Jones Soda Co.
(206) 624-3357 or sjones@jonessoda.com

David Marriot, *Gogerty Stark Marriott, Inc.*
(206) 292-3000 or dmarriott@gsminc.com

Chad Jacobs, *Integrated Corporate Relations*
(203) 682-8200 or cjacobs@icr-online.com



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January 3, 2008

Joth Ricci
5165 SW Dogwood Place
Portland, OR 97225

Dear Joth:

Re: Employment Chief Operating Officer, "COO"

I am pleased to offer you the position of COO, for Jones Soda Company, reporting to the Chief Executive Officer. This offer is subject to a background check, as per the company policy.

As a senior leader, your success in the role of COO will be based on your ability to lead and inspire your Jones Soda associates. You will have responsibility for all three Sales groups (CSD, DSD and DTR), Operations, the relationship with National Beverages, the transactional elements of my Jones and interactive and Human Resources Your role is fully encompassing from strategic planning of the direction and initiatives to managing the details of each P&L in your group. Ultimately you are accountable for the quality of the brand value and the achievement of our corporate targets of volume, revenue and profit.

We will draft and agree to a set of goals together but they will include reference to the following: Quality of our people and the quality of their work environment; development of the company's strategic plan; execution of the plan initiatives; efficient and structured planning between sales, operations, production, in store execution and appropriate measurements; specific volume, revenue and profit targets; achievement of customer goals; achievement of professional, world class respect from our suppliers, distributors and customers; and creating the world's most creative, innovative performance oriented culture. The COO position does not require that you to move your family to Seattle, however, the role of COO is based in Seattle, Monday thru Friday.

Total travel away from Seattle is expected at a minimum of 1 week per month. Working from home is acceptable on occasion.

Your compensation will be as follows:

- Effective start date: To be agreed upon as per our conversation.
- Salary: Base of \$245,000 per annum
- Review Period: There will be a review after the first three months of your employment with quarterly reviews thereafter.

Bonus:	Bonuses will be set annually. Annual bonus will be up to 100% of base salary. Bonuses objective will be agreed upon by the company and the employee no later then 60 days from the start date. The agreed bonus plan is subject to final approval by the compensation committee which is similar to the CFO, and CEO.
Benefits:	<p>Medical and dental coverage for your family under the Jones Soda Co. plan. The Company has its health benefit program through Great West Life and it is a Preferred Network plan. The value of this is estimated at \$18,000 per annum.</p> <p>We will waive the three-month eligibility requirement for the Medical/Dental benefit program so that you can begin on the benefit program as of the date of your employment.</p> <p>401K Program. The 401K Program the company has established with Great West Life as well.</p>
Car Allowance:	\$ 750.00 per month.
Corporate Housing:	Jones will provide you with corporate housing in Seattle. The housing will be similar to other key executives.
Stock Options:	80,000 stock options or a combination of stock grants (stock grants have a different valuation as determined by GAAP and such the amounts granted are lower) to be offered by the company in 30 days from the signing of the offer letter by both parties. All options are subject to the company stock option plan as filed with the Securities and Exchange Commission. You will receive 80,000 stock options and or stock grants annually set within 30 days of the anniversary date of your employment with the Company or in accordance with the setting of options as set by the company.
Vacation:	4 weeks per annum
Severance:	The Company realizes that there may be issues that are out of your control regarding the reporting structure. Therefore the company is prepared to offer a six (6) month severance. The severance requires a minimum of 90 (ninety) days of employment, and or a change in the current reporting structure. In addition the company is prepared to offer the following severance after 12 months of employment.

In the event of a change of control during any period of your employment:

- i) 12 months salary and target bonus (paid promptly in a lump sum)
- ii) Continuation of benefits for COO and family for 12 months
- iii) 100% of your outstanding Stock options and Restricted Stock grants will vest immediately.

No severance or vesting will be provided if you are terminated for cause. Cause is defined as;

- (i) conviction of any felony or of a misdemeanor;
- (ii) Breach of Jones Soda's Code of Ethics or Insider Trading Policy or Jones Regulation FD policies, as now in effect or as modified in the future;
- (iii) Theft or embezzlement from Jones Soda; or
- (vi) Attempt to obstruct or failure to cooperate with any investigation authorized by Jones Soda or any governmental or self-regulatory entity.

You will be required, as a condition of your employment with Jones Soda Co., to sign the company's Confidentiality Agreement. By signing this letter, you represent that you are under no contractual commitments inconsistent with your obligations to Jones Soda Co. You will also be required to sign, promote and enforce our Code of Conduct.

I look forward to having you on board as one of my most important partners in leading Jones Soda to remarkable success.

If you have any questions on the above, please give me a call at your convenience.

If you are in agreement with the above, please confirm below.

Sincerely,

Jones Soda Co.

Per:

Stephen Jones
Interim CEO

Finance Approval

CFO:

Date:

Confirmed and agreed:

Per: _____

Date: