



August 27, 2007

Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: File No. S7-10-07: Revisions to Eligibility Requirements for Primary Securities Offerings on Forms S-3 and F-3

Dear Ms. Morris:

Brinson Patrick Securities Corporation (“Brinson Patrick”) appreciates the opportunity to comment on the proposed rules (the “Proposed Rules”) contained in SEC Release No. 33-8812 (the “Release”), that would amend the eligibility requirements of Form S-3 to allow issuers with public floats of less than \$75 million to conduct primary securities offerings using the form.

Brinson Patrick is an investment banking firm, formed in 1996, that focuses exclusively on conducting “at-the-market” offerings for public issuers through our DOCS[®] financing facility. For over 10 years, we have cost-effectively raised capital for publicly traded small- and mid-cap clients. Our facility helps issuers access the equity markets more efficiently, with lower overall cost, with limited market impact and more control over the timing of their offerings. The adoption of the Proposed Rules would allow a greater number of issuers to enjoy the significant benefits currently afforded to larger public issuers.

Generally, we strongly support of the changes contained in the Proposed Rules. Below are our comments to questions posed in the request of comment section of the Release:

1. Given the volume of issuer information available through EDGAR at little or no cost, we agree with your assumption that it is appropriate to eliminate the public float restriction.

We think Recommendation IV.P.3. in the Final Report of the Commission’s Advisory Committee on Smaller Public Companies represents appropriate criteria for determining eligibility for primary offerings on Form S-3.

DOCS is a registered service mark of Brinson Patrick Securities Corporation.

Nancy M. Morris

August 27, 2007

Page 2

2. We think the proposed 20% limitation on the amount of securities that can be sold over any period of 12 months is too restrictive. For many smaller issuers in growth phases, this limitation would prevent these issuers from using the proposed General Instruction I.B.6 to satisfy their capital requirements.

We analyzed the capital requirements of development stage biotech and life sciences companies with public floats of less than \$75 million. To estimate these issuers' capital needs we measured their cash flow from operations for the past 4 quarters. Many of these companies have little or no revenue because it takes many years to commercialize potential life-saving products. Therefore they generally have negative cash flow from operations. For 92 out of the 155 issuers analyzed, their annual estimated capital needs exceed 20% of their public floats. For approximately 59% of these issuers, the 20% limitation is too restrictive.

While we supported the elimination of the restrictions on primary "at-the-market" offerings as proposed in the Securities Offering Reform (Release 33-8501), we think some of these restrictions may be appropriate for offerings pursuant to proposed General Instruction I.B.6 of Form S-3. It seems the Commission has expressed concern over potentially abusive primary offerings disguised as secondary offerings. With the current Form S-3 eligibility requirements, smaller companies may have an incentive to participate in these offerings of concern. To mitigate this incentive, encourage capital formation and strengthen investor protection, we suggest eliminating the 20% limitation from proposed General Instruction I.B.6. of Form S-3 for offerings made through registered broker-dealers named as underwriters in the original registration statement or a prospectus supplement.

3. We agree that it is not necessary for the Proposed Rules to impose restrictions any type of offering, such as "at-the-market" offerings. We are not aware of any abuses of "at-the-market" offerings since Rule 415 was adopted.

Please direct any questions you may have about our comments to Todd Wyche of Brinson Patrick at 212-453-5000.

Sincerely,



BRINSON PATRICK SECURITIES CORPORATION