

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
January 24, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12158

In the Matter of

Axum Incorporated

ORDER TEMPORARILY SUSPENDING
EXEMPTION PURSUANT TO RULE 258 OF
REGULATION A UNDER THE SECURITIES
ACT OF 1933, STATEMENT OF REASONS
FOR ENTRY OF ORDER, AND NOTICE OF
AND OPPORTUNITY FOR HEARING

I.

The public official files of the Securities and Exchange Commission (“Commission”) show that:

Axum Incorporated (“Axum”), a Colorado corporation with its principal office at 360 Jade Street, Broomfield, Colorado, 80020, filed with the Commission on January 13, 2006, a document styled “Registration Statement under the Securities Act of 1933” (“Offering Statement”). The document was apparently intended as a Regulation A Offering Statement submitted to obtain an exemption from the registration requirements of the Securities Act of 1933, as amended (“Securities Act”), pursuant to Rule 258 of Regulation A under the Securities Act. The Offering Statement was submitted for a proposed offering of 5,000,000 shares of Axum Class B common stock.

II.

The Commission has reasonable cause to believe, on the basis of information reported to it by its staff, that:

A. The Offering Statement filed by Axum contains untrue statements of material facts and omits to state material facts necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, concerning, among other things:

1. The Offering Statement represents that Larry E. Johnson (“Johnson”), the president, a director, and a principal shareholder of Axum, also holds the title “Senior Attorney,” and acts as legal counsel to the company on all legal matters, including the

offering of securities. The Offering Statement also includes a purported legal opinion letter dated January 4, 2006, regarding the offering rendered by Johnson identifying him as an “Attorney at Law” and providing his Colorado attorney registration number. The Offering Statement does not disclose that Johnson has been suspended from the practice of law in Colorado since at least August 2005 for failure to pay fees, has not been reinstated, and may not practice law in Colorado.

2. The Offering Statement represents at different points in the document that Johnson owns differing percentages of outstanding shares, variously identifying him as holding both majority and non-majority positions. It also appears to improperly include amounts owned by Axum in calculating percentages of outstanding shares.

3. The Offering Statement indicates that the offering will commence January 24, 2006. According to Commission records, however, the Offering Statement was filed on January 13, 2006 and, absent a delaying notation, will not become qualified for sale until February 2, 2006.

B. Axum has not complied with the terms and conditions of Regulation A because its Offering Statement omits essential information required by Regulation A and Commission Form 1-A as follows:

1. The Offering Statement does not include documentation required by Regulation A, Form 1-A, Part III (Exhibits), including but not limited to copies of the company’s charter and the subscription agreement for the offering.

2. The Offering Statement indicates that Axum intends to acquire John Sandy Productions (“JSP”), “a for-profit operation in the media production industry,” but fails to properly describe the business activities of JSP or disclose principal terms of the proposed acquisition.

3. With respect to the proposed acquisition of JSP, the Offering Statement fails to provide financial statements for JSP, pro forma financial information for the proposed acquisition, or a copy of any acquisition agreement.

C. The offering, if made, would be in violation of Section 17(a) of the Securities Act for the reasons stated in Section II.A above.

III.

It appearing to the Commission that it is in the public interest and for the protection of investors that the exemption of Axum Incorporated under Regulation A be temporarily suspended,

IT IS ORDERED, pursuant to Rule 258(a) of the General Rules and Regulations under the Securities Act, that the exemption of Axum Incorporated under Regulation A be, and hereby is, temporarily suspended.

NOTICE IS HEREBY GIVEN that any person having an interest in this matter may, within thirty calendar days after the entry of this Order, file with the Secretary of the Commission a written request for a hearing; that within twenty days after the receipt of such request the Commission will, or at any time upon its own motion the Commission may, set the matter for hearing at a place to be designated by the Commission, for the purpose of determining whether the suspension should be vacated or made permanent, without prejudice, however, to the presentation and consideration of additional matters at the hearing; and that notice of the time and place of the hearing will be promptly given by the Commission. If no hearing is requested and none is ordered by the Commission, this Order shall become permanent on the thirtieth day after its entry, and will remain in effect unless and until it is modified or vacated by the Commission.

By the Commission.

Nancy M. Morris
Secretary