

BRENDAN TECHNOLOGIES INC
Form S-1/A
March 13, 2008

As filed with the Securities and Exchange Commission on March 13, 2008

Registration No. 333-147638

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

PRE-EFFECTIVE AMENDMENT NO. 3 to
FORM S-1/A
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

BRENDAN TECHNOLOGIES, INC.
(Name of small business issuer in its charter)

Nevada (State or jurisdiction of incorporation or organization)	7372 (Primary Standard Industrial Classification Code Number)	38-3378963 (I.R.S. Employer I.D. Number)
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2236 Rutherford Road, Suite 107
Carlsbad, California 92008
(760) 929-7500
(Address and telephone number of principal executive offices)

2236 Rutherford Road, Suite 107
Carlsbad, California 92008
(760) 929-7500
(Address of principal place of business or intended principal place of business)

Lowell W. Giffhorn, Chief Financial Officer
Brendan Technologies, Inc.
2236 Rutherford Road, Suite 107
Carlsbad, California 92008
(760) 929-7500
(Name, address and telephone number of agent for service)

Copies to:
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Troy & Gould
1801 Century Park East, Suite 1600
Los Angeles, CA 90067
(310) 789-1290 (Telephone)
(310) 789-1490 (Facsimile)

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box.

Title of Each Class of Securities to be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price (4)	Amount of Registration Fee (5)
Common Stock, \$0.004995 par value (1)	4,183,800	\$ 0.27	\$ 1,129,626	\$ 34.68
Common Stock, \$0.004995 par value (2)	1,745,000	\$ 0.27	\$ 471,150	\$ 14.46
Common Stock, \$0.004995 par value (3)	1,270,000	\$ 0.27	\$ 342,900	\$ 10.53
TOTAL	7,198,800	\$	1,943,676	

1) Shares of the Registrant's common stock, \$0.004995 par value per share, are being registered for resale on behalf of certain selling security holders. The common stock being registered is issuable to the selling security holders on their conversion of our 8% Convertible Debentures issued on June 20, 2006 through June 11, 2007 (the "Debentures"). The terms of the Debentures fix the number of common shares that may be issuable upon conversion of the principal portion of the Debentures. The debentureholders have elected to receive interest either quarterly in cash or at the earlier of conversion or maturity in common stock. For those debentureholders electing to receive common stock, the maximum number of common shares so issuable have been included in this registration.

2) Shares of the Registrant's common stock, \$0.004995 par value per share, are being registered for resale on behalf of certain selling security holders. The common stock being registered was issued to the selling security holders on their exercise of common stock purchase warrants pursuant to a rights offering.

- (3) Shares of the Registrant's common stock, \$0.004995 par value per share, are being registered for resale on behalf of certain selling security holders. The common stock being registered is issuable to the selling security holders on their exercise of warrants which were issued either for services or related to short term financings.
- (4) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(c) under the Securities Act of 1933, as amended (the "Act"), based on the average of the closing bid and asked prices for the Registrant's Common Stock (the "Common Stock") as reported on the OTC Bulletin Board on February 20, 2008.
- (5) Of this amount \$59.67 was paid with the initial filing of this registration statement on Form SB2, Registration No. 333-147638.

In addition to the number of shares set forth above, the amount registered included any shares of common stock issued as a result of stock splits, stock dividends and similar transactions in accordance with Rule 416.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL IT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**AS FILED WITH THE SECURITIES AND
EXCHANGE COMMISSION ON MARCH 13, 2008**

PROSPECTUS

**BRENDAN TECHNOLOGIES, INC.
2236 Rutherford Road, Suite 107
Carlsbad, CA 92008
(760) 929-7500**

THE OFFERING

The resale of up to 8,164,800 shares of common stock by the selling shareholders in the over-the-counter market at the prevailing market price or in negotiated transactions as follows:

- up to 4,183,800 shares issuable to certain selling shareholders upon the conversion of our 8% Convertible Debentures which are comprised of 4,055,000 shares issuable for principal and 128,800 shares issuable as interest payments under the Debentures.
- 1,745,000 shares which were issued to certain selling shareholders upon their exercise of common stock warrants under a rights offering.
- up to 2,236,000 shares issuable to certain selling shareholders upon the exercise of warrants comprised of 570,000 warrant shares issued for services, 700,000 warrant shares issued related to short term financings and 966,000 warrant shares issuable as a result of reset provisions.

We will receive no proceeds from the sale of the shares by the selling shareholders. We may receive proceeds of up to \$762,000 from the exercise of the warrants.

Our shares of common stock are currently trading on the OTC Bulletin Board under the symbol "BDTE".

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK.

Please refer to Risk Factors Beginning on Page 3

THE SECURITIES AND EXCHANGE COMMISSION (SEC) AND STATE SECURITIES REGULATORS HAVE NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES, NOR IS THE SOLICITATION OF AN OFFER TO BUY THESE SECURITIES, IN ANY STATE WHERE THE OFFER OR SALE OF THESE SECURITIES IS NOT PERMITTED.

Please read this prospectus carefully. It describes our company, finances and products. Federal and state securities laws require that we include in this prospectus all the material information that you will need to make an investment decision.

We have not authorized anyone to provide you with information that is different from that which is contained in this prospectus.

The following table of contents has been designed to help you find important information contained in this prospectus. We have included subheadings to aid you in searching for particular information you might want to return to. We encourage you to read the entire prospectus.

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PROSPECTUS SUMMARY

About Our Company

We provide software solutions to improve the accuracy, quality control, workflow, and regulatory compliance of immunoassay testing in laboratories in the biopharmaceutical, clinical, research, veterinarian and agricultural industries. Our software platform manages the raw, computed and analytical data in testing laboratories and in manufacturing.

We evolved from the initial work of our founder, John R. Dunn II, Ph.D., now our Chairman, President, Chief Executive Officer and Chief Technical Officer. Our first commercialized product is StatLIA®, software designed specifically for immunoassay testing. Since Dr. Dunn's early work on StatLIA® over ten years ago, StatLIA® has been developed with software engineers, mathematicians and laboratory professionals who specialize in laboratory testing. Over the years, StatLIA® has been used in laboratories, undergoing numerous revisions and additions to develop the product.

Our auditors have stated in their report on our consolidated financial statements as of and for the year ended June 30, 2007, substantial doubt about our ability to continue operating as a going concern because of recurring net losses and negative cash flows from operations. We had accumulated deficits of \$9,765,318 and \$8,352,407 as of December 31 and June 30, 2007 and a history of substantial operating losses, net losses and negative cash flow.

Our principal executive offices are located at 2236 Rutherford Road, Suite 107, Carlsbad, California 92008, and our telephone number is (760) 929-7500.

About Our Convertible Debentures

Overview. From June 20, 2006 through June 11, 2007, we sold to and received cash from certain of the selling shareholders an aggregate of \$2,027,500 of 8% convertible debentures with two year maturity dates. The aggregate conversion prices of the debentures represented a \$329,350 premium to the aggregate market value of \$1,698,150 on the dates of the issuances. In addition, the debentureholders received warrants exercisable into up to 8,110,000 shares of our common stock.

Number Of Shares Debentures May Be Converted Into. The principal portion of the debentures can be converted into 4,055,000 shares of our common stock at a fixed conversion rate of \$0.50 per share. The debentureholders have elected to receive interest either quarterly in cash or in common stock at the earlier of conversion or maturity of the debenture.

Warrants. Concurrent with the issuance of the convertible debentures, we issued warrants to purchase up to 8,110,000 shares of our common stock to the debentureholders. These warrants are exercisable for from one to five years from the date of issuance at exercise prices ranging from \$0.60 to \$1.00 per share.

Restrictive Covenants. For a period of 18 months from the date of the debentures, we are prohibited from engaging in certain transactions without obtaining the debentureholders' prior written approval. These types of transactions include the issuance of any debt or equity securities in a private transaction which are convertible or exercisable into shares of common stock at a price based on the trading price of the common stock at any time after the initial issuance of such securities; the issuance of any debt or equity securities with a fixed conversion or exercise price subject to adjustment; and any private equity line type agreements.

Right Of First Refusal. The debentureholders have a right of first refusal to purchase or participate in any securities offered by us in any private transaction which closes on or prior to the date that is two years after the issue date of each debenture.

Registration Rights. We are responsible for registering the resale of the shares of our common stock which will be issued on the conversion of the debentures.

Additional Shares We Are Registering

In October 2007, we extended a rights offering to existing warrant holders whereby they could exercise their warrants at a reduced exercise price of \$0.25 per share for a period through November 7, 2007. A group of 18 warrant holders, including two who are affiliates of ours, exercised warrants for 1,745,000 shares of our common stock for aggregate proceeds of \$436,250. The aggregate market value of the warrant shares exercised as of November 7, 2007 was \$459,050, \$0.26 per share, resulting in a discount to the exercising warrant holders of \$22,800 or 5.0% of the market value. The shares were issued with restrictive legends and are being registered herewith.

Additional Warrants We Are Registering

We are also registering 1,270,000 shares that are issuable to certain selling security holders on their exercise of warrants issued for either services they provided or related to short term financings.

Key Facts

Shares being offered for resale to the public	8,164,800 (32% of our shares currently outstanding, 82% of our shares currently held by non-affiliates)
Total shares outstanding prior to the offering	25,450,594 as of March 13, 2008
Total shares held by non-affiliates prior to the offering	9,918,016 as of March 13, 2008
Total shares outstanding assuming conversion of the debentures, including shares issuable as interest payments under the debentures, and exercise of the warrants	31,870,391
Total shares that would be outstanding assuming conversion of the debentures, including shares issuable as interest payments under the debentures, and exercise of all outstanding options and warrants	42,362,261
Total proceeds raised by offering	None. However we may receive proceeds of up to \$762,000 on the exercise of warrants

Convertible debentures A form of our convertible debenture was included as Exhibit 4.8 to our Current Report on Form 8K filed as of July 18, 2006

Dividend policy We have never paid a dividend and do not anticipate paying a dividend in the foreseeable future

Payments to selling shareholders We have made or anticipate to make payments to the selling shareholders as follows:

<u>Convertible debentures</u>	
Finders fee (1)	\$ 120,000
Interest payments (3)	324,400
<u>Short-term financings</u>	
Finders fee (1)	\$ 90,000
Placement agent fee (2)	60,000
Interest payments (3)	68,914

Net proceeds raised from financings

<u>Convertible debentures</u>	
Gross proceeds	\$ 2,027,500
Less finders fee	120,000
Less interest (two years)	324,400
Net proceeds	\$ 1,583,100
<u>Short-term financings (4)</u>	
Gross proceeds	\$ 700,000
Less finders fee	30,000
Less placement agent fee	60,000
Less interest (nine months)	68,914
Net proceeds	\$ 541,086

(1) Paid to Michael Morrisett

(2) Paid to Midtown Partners LLC

(3) Interest payments are based on 8% interest for the convertible debentures and 12% and 15% for the short-term financings and do not take into consideration an election to receive common stock in lieu of cash for a group of the convertible debenture holders.

(4) Short term financings consist of a one month \$100,000 bridge loan in May 2007 and nine month bridge loans aggregating \$600,000 in July 2007. The holders of the bridge loans received warrants exercisable into up to one warrant share for each \$1 loaned with five year terms and an exercise price of \$.60 per share.

SUMMARY FINANCIAL DATA