



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-3628

Mail Stop 3628

September 10, 2008

**Via Facsimile and U.S. Mail**

Thomas C. Janson, Esq.  
Milbank, Tweed, Hadley & McCloy LLP  
One Chase Manhattan Plaza  
New York, NY 10005

**Re: Atari, Inc.  
Schedule TO-I  
Filed September 5, 2008  
File No. 005-47017**

Dear Mr. Janson:

We have reviewed your filing and have the following comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why a comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments. Please note that all defined terms used in this letter have the same meaning as in the Offer to Purchase.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

**Offer to Purchase**

**Summary Term Sheet, page 2**

**Duration of the Offer, page 2**

1. We note you state that subject to the terms described in the offer to purchase, you reserve the right to terminate the offer in your sole discretion. Please revise, here and on page 4, to clarify that the offer may only be terminated by Atari pursuant to the offer conditions.

Conditions, page 11

2. Please explain to us the purpose of the language that your interpretation of the conditions of the offer will be final and binding. Please disclose, here and throughout your document, that only a court of competent jurisdiction can make a determination that will be final and binding upon the parties. In addition, please disclose that security holders may challenge your determinations.

Extension, Amendment and Termination of the Offer, page 14

3. We note that you intend to terminate the offer if the merger is terminated. Please advise as to whether this merger condition is waivable. If it is, then it would appear that a waiver of this condition would constitute a material change such that at least five business days must remain in the offer. Please revise to disclose this, if applicable.

Exhibit 99(a)(2)—Form of Election to Tender Eligible Options

4. We note that in the first sentence of the first paragraph you require security holders to state that they have read the offer to purchase. Please revise to omit the term “read” from this paragraph.

Closing Comments

As appropriate, please amend your filing in response to these comments. You may wish to provide us with marked copies of the amended filing to expedite our review. Please furnish a cover letter with your amended filing that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amended filing and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filings reviewed by the staff to be certain that they have provided all material information to investors. Since the company and its management are in possession of all facts relating to a company’s disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company (and all additional filing persons) acknowledging that:

- the company (or filing person) is responsible for the adequacy and accuracy of the disclosure in the filings;

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- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filings; and
- the company (or filing person) may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filings or in response to our comments on your filings.

Please direct any questions to me at (202) 551-3411 or, in my absence, to Nicholas Panos, Senior Special Counsel, at (202) 551-3266. You may also contact me via facsimile at (202) 772-9203. Please send all correspondence to us at the following ZIP code: 20549-3628.

Sincerely,

Peggy Kim  
Special Counsel  
Office of Mergers & Acquisitions