

March 27, 2006

Mail Stop 4561

Tiao-Tsan Lai
Chairman, President and Chief Executive Officer
City Network, Inc.
2F-1, No. 16, Jian Ba Road
Chung Ho City
Taipei County 235
Taiwan, ROC

**Re: City Network, Inc.
Preliminary Proxy Statement on Schedule 14A
Registration No. 001-31959
Filed on March 16, 2006**

Dear Mr. Lai:

This is to advise you that we have limited our review of the Preliminary Proxy Statement on Schedule 14A noted above and have the following comments:

1. In the third full paragraph on page 7, you state that the "[u]pon the issuance of the entire \$650,000 in New Notes, we anticipate that substantially all proceeds will be used for such purposes and that any balance available for working capital purposes will be insignificant." In the last paragraph on page 7, you state that "[w]ithout such stockholder approval, we would be unable to issue more than 5,500,000 Transaction Shares, and accordingly, Cornell Capital may elect to fund only convertible debt in the principal amount of only \$275,000. We will use all of such proceeds from such issuance to repay the currently outstanding principal amount of the Original Notes, plus accrued interest and would not have access to the remaining funds for working capital purposes, as described further herein." Please revise your disclosure to note how, regardless of whether you issue the entire \$650,000 in notes or \$275,000 in notes, the remaining balance available for working capital will be immaterial.
2. You state in the last paragraph on page 7 that without stockholder approval for the issuance of additional shares you "would not be required to issue an additional 2,000,000 shares of Common Stock to secure the New Notes," Please revise to note if you are required to issue the additional shares if your stockholders approve the issuance and why.
3. Please revise the proxy statement to note why you are paying off the original notes and whether you are currently subject to any financial penalties under the terms of the original notes or if you will be subject to any penalties in the near future.

4. We note that you filed an 8-K on March 23, 2006 regarding the Securities Purchase Agreement you entered into with Cornell Capital Partners. Please amend the 8-K to include the Securities Purchase Agreement as an Exhibit. Also, please revise this proxy to note that a copy of the Securities Purchase Agreement is filed as an exhibit to your 8-K.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing(s) to be certain that they have provided all information investors require for an informed decision. 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. Additionally, the registrant should provide written acknowledgement of the following:

- The adequacy and accuracy of the disclosure in the filing is the responsibility of the registrant.
- The registrant acknowledges that staff comment or changes in response to staff comment in the proposed disclosure in the preliminary proxy materials do not foreclose the Commission from taking any action with respect to the filing.
- The registrant also represents that staff comment may not be asserted 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 connection with our review of your filing or in response to our comments on your filing.

All persons who are by statute responsible for the adequacy and accuracy of the information statement are urged to be certain that all information required pursuant to the Securities Exchange Act of 1934 has been included.

If you have any questions, please call David H. Roberts at (202) 551-3856 or the undersigned at (202) 551-3694.

Sincerely,

Owen Pinkerton
Senior Counsel