



DIVISION OF
CORPORATION FINANCE

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

Mail Stop 3720

November 7, 2006

Philip L. Morgan
Chief Executive Officer
Audiostocks, Inc.
2038 Corte Del Nogal, Suite 110
Carlsbad, CA 92011

Re: Audiostocks, Inc.
Registration Statement on Form SB-2
Filed October 19, 2006
File No. 333-138083

Dear Mr. Morgan:

We have limited our review of your filing to those issues we have addressed in our 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 our 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 information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

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.

General

1. Your disclosure indicates that the selling shareholders "will sell their shares at the current market price or at negotiated prices at the time of the sale," yet there is currently no market for your securities. Item 501 of Regulation S-B requires that you include the price range or the formula or method to be used to calculate the offering price. Please include a fixed price or price range pursuant to Rule 430A under the Securities Act prior to effectiveness. Also revise to state that the selling shareholders will sell at a price of \$x.xx (or a range) per share until your shares are quoted on the OTC Bulletin Board and thereafter they will sell at prevailing market prices or privately-negotiated prices. Alternatively, you may file a post-

effective amendment to switch to a market price when the shares begin trading on a market.

2. Revise the cover page of the registration statement to check the box indicating that the securities being registered are being offered on a delayed or continuous basis pursuant to Rule 415.

Related Transactions

3. Disclose the amounts paid to the related parties listed in this section during the last two years pursuant to Item 404(a) of Regulation S-B.

Management's Discussion and Analysis

4. We note your reference to the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Section 27A(b)(2)(D) of the Securities Act of 1933 expressly states that the safe harbor for forward-looking statements does not apply to statements made in connection with an initial public offering, which includes your registration of securities on this Form SB-2. Please either delete any references to the safe harbor or make clear that the safe harbor does not apply to you. Also note that the safe harbor does not apply to statements made by a registrant that has issued penny stock during the three year period preceding the date on which the statements are first made.
5. Revise to clarify the current status of your operations and the source and amount of revenues you have earned to date. In this regard, we note that your income statement for the period ended June 30, 2006 indicates that you have not earned any revenues, while your MD&A section contains your disclosure about the revenues generated from companies that subscribe to your service.

Recent Sales of Unregistered Securities

6. Rather than refer to descriptions of any sales of unregistered securities "elsewhere in this Registration Statement," revise this section to include all of the disclosure required by Item 701 of Regulation S-B.

Signature page

7. Identify, such as by parenthetical, the person signing in the capacity of your principal accounting officer, as your principal accounting officer's or controller's signature to the registration statement is required by Form SB-2.

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

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Act of 1933 and that they have provided all information investors require for an informed investment 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.

Notwithstanding our comments, in the event the company requests acceleration of the effective date of the pending registration statement, it should furnish a letter, at the time of such request, acknowledging that:

- should the Commission or the staff, acting pursuant to delegated authority, declare the filing effective, it does not foreclose the Commission from taking any action with respect to the filing;
- the action of the Commission or the staff, acting pursuant to delegated authority, in declaring the filing effective, does not relieve the company from its full responsibility for the adequacy and accuracy of the disclosure in the filing; and
- the company may not assert staff comments and the declaration of effectiveness 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.

We will consider a written request for acceleration of the effective date of the registration statement as confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. We will act on the request and, pursuant to delegated authority, grant acceleration of the effective date.

We direct your attention to Rules 460 and 461 regarding requesting acceleration of a registration statement. Please allow adequate time after the filing of any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

Mr. Philip L. Morgan
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You may contact me at (202) 551-3833 with any questions.

Sincerely,

Michele Anderson
Legal Branch Chief

cc: via facsimile
Mark L. Baum, Esq.
(760) 804-8845