

Atlas Technology Group, Inc.

Form 424B3

November 07, 2007

Filed pursuant to Rule 424(b)(3)

Under the Securities Act of 1933, as amended

(Registration Statement 333-146060)

PROSPECTUS

ATLAS TECHNOLOGY GROUP, INC.

4,423,660 SHARES OF COMMON STOCK

This is an offering of shares of our common stock by persons and companies that were issued shares of common stock, par value \$0.0004 (the "Common Stock"), of Atlas Technology Group, Inc. (the "Company" or the "Registrant") in various private offerings. We will not receive any proceeds from the sale of the shares of Common Stock offered by the selling stockholders.

We are currently a reporting company under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Our Common Stock is traded on the NASD Over-The-Counter Bulletin Board (the "OTC Bulletin Board") under the symbol "ATYG.OB".

Registration of the shares of Common Stock contemplated herein, will allow certain stockholders to sell all or part of their equity interests in the Company. The stockholders whose shares will become freely tradable shares under the Registration Statement are identified herein. *See Selling Stockholders.*

The Company shall bear all of the cost of preparing and printing the Registration Statement, Prospectus and any Prospectus Supplements and all filing fees and legal and accounting expenses associated with registration under federal and state securities laws. The selling stockholders will be responsible for any brokerage commissions, discounts or other expenses relating to the sales of the shares.

THE PURCHASE OF THE SECURITIES OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD CAREFULLY CONSIDER THE FACTORS DESCRIBED UNDER THE HEADING "RISK FACTORS" BEGINNING ON PAGE 6.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

On November 6, 2007, the closing price of our Common Stock as quoted on the OTC Bulletin Board was \$0.80. The terms "we," "our" and "us," refer to the Company.

The date of this prospectus is November 7, 2007.

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You should rely only upon the information contained in this prospectus and the registration statement of which this prospectus is a part. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The selling stockholders will only sell shares of our Common Stock and seek offers to buy shares of our Common Stock in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate as of November 7, 2007.

We obtained statistical data, market data and other industry data and forecasts used throughout this prospectus from market research, publicly available information and industry publications. Industry publications generally state that they obtain their information from sources that they believe to be reliable, but they do not guarantee the accuracy and completeness of the information. We have not sought the consent of the sources to refer to their reports in this prospectus.

PROSPECTUS SUMMARY

Our Business

We are leveraging the recent advances in software, monitoring systems, and communications, to build a new, cutting edge, global support infrastructure, providing 24x7 software support to large and medium sized companies. Our new application on-boarding and monitoring processes allow for dramatic cost savings over existing Information Technology (“IT”) service providers. With more than thirty years of combined experience in IT support, our management team brings a significant level of knowledge and experience in outsourced application support. Our management team’s experience includes worldwide application support for companies such as JP Morgan, Microsoft, and Avanade.

We intend to offer our services worldwide, with the majority of our targeted customers having multi-national operations. Our operations are designed to be a highly distributable venture, with the ability to place people in the best possible locations so that we can provide a seamless service offering across the world. The worldwide IT market is approximately one trillion US dollars in size including hardware, software and communications. (Source: Gartner Group, Inc. (“Gartner”) available at <http://www.gartner.com/Init>.)

The latest trend in outsourcing toward outsourcing application support is dramatic. According to Forrester Research Inc. (“Forrester”), Tier 2 application support and business outsourcing grew to represent a \$220 billion market by 2006 with additional growth averaging 10% annually. According to Forrester the percentage of IT budgets spent on maintaining existing applications was 73% in 2004 and 76% in 2005. (Source: Forrester Research, Inc. “2005 Enterprise IT Outlook: Business Technographics North America”.)

To many industry leaders, managed services represent an important change to how technology is delivered and consumed. The managed services market has expanded rapidly over the past several years, particularly in the under-served small- and medium-sized business (“S-MMB”) market. The S-MMB IT services market estimated to be worth \$220 is expected to grow at a compound annual growth rate (“CAGR”) of 7.6% from 2004 to 2008. Remote monitoring and management (“RMM”) is the hottest growing segment expected to grow at 36% CAGR through 2008 in North America. A recent study by Forrester cited the S-MMB market at 48% of overall U.S. IT spending, stating that it will surpass enterprise IT spending by 2007. (Source: Gartner - Forecast IT Service, Worldwide, November 2005.)

Products and Services

We are in the business of providing custom, outsourced, application software support services to our customers. These services range from supporting specialized networks and single applications to providing the entire IT infrastructure management for customers who want to outsource IT application support and focus on their core business competencies. Through partnerships with other IT development consultants, fully outsourced IT services can be provided, with hard performance metrics and predictable costs.

With more than thirty years of combined experience in IT support, our management team brings a significant level of knowledge and experience in outsourced application support. Our management team’s experience includes worldwide application support for companies such as JP Morgan, Microsoft, and Avanade.

We have spent two years developing our own proprietary software tools and processes. We are currently leveraging the recent advances in software, monitoring systems, and communications, to build a new, leading edge, global support infrastructure that provides 24x7 software support to large and medium sized companies. These new application on-boarding and monitoring processes should allow for dramatic cost savings over existing legacy IT service providers.

Through our BLive Networks, Inc. subsidiary we also provide our proprietary interactive support tools for both smaller and larger companies via systems that can be used by companies for remote technical support and sales, both externally, and for internal corporate “Helpdesk” support departments. This technology enables our service providers to deliver faster response times and a personal connection with users.

We provide both technical support and training to our customers as well as in-house and external training to our staff. Successful training of our technical support staff is key to our success. During 2006, all of our technical staff received training for various Microsoft technical qualifications. During 2007, we anticipate becoming a Microsoft “Gold Partner” with advanced infrastructure and learning solutions specializations. We believe that by becoming a Microsoft “Gold Partner” this will provide us with additional recognition and therefore revenue opportunities.

Our History and Recent Developments

We were incorporated in August 1998 as Tribeworks, Inc., a California corporation (“California Tribeworks”). On November 2, 1999, we entered into a transaction with Pan World Corporation, a publicly-traded Nevada corporation (“Pan World”), whereby Pan World agreed to provide financing in connection with the merger of a newly formed subsidiary of Pan World into California Tribeworks (the “Recapitalization”). Prior to the Recapitalization, Pan World never had any material operations. As a result of the Recapitalization, shareholders of California Tribeworks exchanged all of their shares of California Tribeworks for shares of Pan World common stock. Subsequent to the Recapitalization, we were reincorporated in Delaware as Tribeworks, Inc. We opened a wholly-owned subsidiary in Japan (“Tribeworks Japan”) in August 2000, which engaged in sales and professional services activities primarily in our Enterprise application development business, until it was closed during the third quarter of 2004.

Beginning in 2003, we partnered with Kinoma, Inc. (“Kinoma”) to create new products for the mobile software market, specifically targeting Palm OS devices. Kinoma makes Kinoma Player, which is a high-resolution, interactive movie player for handhelds running the Palm OS. We developed two products in partnership with Kinoma that create Kinoma Player content, iShell Mobile, an iShell-based application development tool, launched in October 2003, and Kinoma Media Album, a consumer multimedia management tool, launched in May of 2004.

During 2005, the previous business lines of Tribeworks were separated into a wholly owned subsidiary named Tribeworks Development Corporation (“TDC”). The TDC business was primarily built around the sale of software through two main distribution channels: the graphics software tools business and proprietary products called iShell or iShell Mobile and an enterprise application development business. TDC was sold to its former management on September 14, 2006. Until approximately the middle part of 2006, the iShell line of products and an enterprise application development business were our primary product offering and business. The former assets, liabilities and business operations of TDC have been reclassified as discontinued operations beginning with the financial statements for the year ended December 31, 2006 on Form 10-KSB (the “Annual Report”).

On January 20, 2006 we acquired TakeCareofIT Holdings Ltd., doing business as Atlas Technology Group, a Malta Corporation that was established in September 2004 to provide external IT application support services for organizations with large IT functions. This support business is our primary business focus going forward. We plan to become a leading IT outsourcing support company for custom software applications worldwide. After extensive beta testing, the AtlasTG business line is now at the revenue launch stage with the first support customers being signed on in February 2007. Our in-house developed tools and processes needed to onboard IT applications and provide remote IT application support are now ready to meet the needs of our customers.

In January of 2007, we acquired all of the assets and approximately 700 customers of BLive Networks, Inc. This acquisition further strengthens our capability of delivering high quality outsourced support into the US\$220 billion worldwide IT Support market. The BLive Networks, Inc. acquisition strengthens our proprietary interactive support tools for companies providing IT support worldwide. The BLive Networks, Inc. systems can be used by companies for remote technical support and sales, both externally, and for internal corporate “Helpdesk” support departments. This technology enables our service providers to deliver faster response times and a personal connection with users.

We are currently a reporting company under Section 12(g) of the Exchange Act and our Common Stock is quoted on the OTC Bulletin Board under the symbol ATYG.OB.

Corporate Information

Our head operating office is located in Malta. We also have subsidiary offices in Wellington, New Zealand and Redmond, Washington and a data center in Seattle, Washington. We currently have 28 employees and 3 working executive directors. Our US headquarters are located at 2001 152nd Ave NE, Redmond, Washington 98052 and our telephone number there is (425) 458-2360. We also maintain a website at www.atlastg.com. Information included on our website is not a part of this prospectus.

About The Offering

Common Stock Offered by the Selling Stockholders Up to 4,423,660 shares of Common Stock

Common Stock Currently Outstanding (1) 33,856,805 shares

Use of Proceeds The selling stockholders will receive the proceeds from the sale of shares of Common Stock. We will not receive any of the proceeds from the sale of shares of Common Stock offered by this prospectus.

Risk Factors See "Risk Factors" for a discussion of factors you should carefully consider before deciding to invest in shares of our Common Stock.

OTCBB Trading Symbol ATYG.OB

(1) The number of shares of our Common Stock outstanding is based on the number of shares outstanding as of November 6, 2007 and excludes:

· 8,639,019 shares of Common Stock issuable upon exercise of outstanding warrants with exercise prices ranging from \$1.00 to \$2.60;

· 134,084 shares of Common Stock issuable upon exercise of outstanding options with exercise prices ranging from \$0.42 to \$37.08; and

· 8,374,201 shares of Common Stock reserved for issuance under our 2004 Employee Stock Incentive Plan.

Summary Financial Information

You should read the following summary consolidated financial data together with our consolidated financial statements and related notes appearing at the end of this prospectus and our “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” sections included elsewhere in this prospectus. The consolidated summary financial data as of and for the years ended December 31, 2006 and 2005 are derived from our audited financial statements and are included elsewhere in this prospectus. Our summary consolidated financial information for the six months ended June 30, 2007 and 2006 are derived from our unaudited consolidated financial statements which are included elsewhere in this prospectus. Historical results are not necessarily indicative of future results.

Statements of Operations Data:	6 Months Ended June 30, (Unaudited)		Year Ended December 31, (Audited)	
	2007	2006	2006	2005
Revenue	\$ 281,716	\$ —	—\$ 39,706	\$ —
Cost of sales	(193,691)	—	(68,000)	—
Gross Profit (Loss)	88,025	—	(28,294)	—
			(
Operating expenses	(1,486,601)	(794,991)	1,926,455)	(218,626)
Operating loss	(1,398,576)	(794,991)	(1,954,749)	(218,626)
Net interest/other income(expense)	(28,796)	1,532	(35,741)	22,987
Other financing charges	(1,415,181)	—	—	—
Loss before discontinued operations	(2,842,553)	(793,459)	(1,990,490)	(195,639)
Discontinued operations	—	(42,752)	173,853	23,730
Net loss from operations	(2,842,553)	(836,236)	(1,816,637)	(171,909)
Comprehensive Loss attributable to common shareholders	(2,988,652)	(836,236)	(1,817,767)	(175,791)
Basic and diluted loss per share before discontinued operations	\$ (0.11)	\$ (0.03)	\$ (0.09)	\$ (0.02)
Basic and diluted loss per share	\$ (0.11)	\$ (0.03)	\$ (0.08)	\$ (0.02)

Balance Sheet Data:	At June 30 (Unaudited)		At December 31 (Audited)	
	2007	2006	2006	2005
Working capital	\$ 999,916			