



DIVISION OF  
CORPORATION FINANCE

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

January 6, 2011

Mr. Stephen J. Vukadinovich  
Chief Financial Officer  
DPAC Technologies Corp.  
5675 Hudson Industrial Park  
Hudson, OH 44236

**Re: DPAC Technologies Corp.  
Form 10-K for the fiscal year ended December 31, 2009  
Filed April 15, 2010  
Form 10-Q for the fiscal periods ended September 30, 2010  
File No. 000-14843**

Dear Mr. Vukadinovich:

We have reviewed your filing and response dated December 14, 2010 and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter within ten business days by providing the requested information or by advising us when you will provide the requested response. If you do not believe our comments apply to your facts and circumstances, please tell us why in your response.

After reviewing the information you provide in response to these comments, we may have additional comments.

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Form 10-K for the fiscal year ended December 31, 2009

Item 8. Consolidated Financial Statements, page F-1

Note 1 – Summary of Significant Accounting Policies, page F-7

Note 3 – Inventories, page F-16

1. We refer to your response to prior comment 10. While we acknowledge that determining the appropriate carrying amount for inventories requires that you estimate recoverability, provisions for excess and obsolete inventory are cost adjustments as provided under SAB Topic 5-BB and FASB ASC 330-10-35-14. In future filings, please present the individual categories of inventory net of the related reserve.

Note 6 – Debt, page F-18

2. We acknowledge your response to prior comment 12 regarding the modification to your State of Ohio debt. Please expand your disclosure in future filings to incorporate a discussion of the formalization of the modified terms similar to your response.

Form 10-Q for the Quarterly Period Ended September 30, 2010

Item 1. Financial Statements

Note 5. Debt, page 11

3. We acknowledge your response to prior comment 13 regarding the subordinated debt. Please expand your disclosure in future filings to incorporate a discussion similar to your response regarding the tranches and related defaults by tranche, as appropriate.

You may contact Leigh Ann Schultz at 202-551-3628 or Gary Todd at 202-551-3605 if you have questions regarding comments on the financial statements and related matters. You may also contact me at (202) 551-3676.

Sincerely,

for

Brian Cascio  
Accounting Branch Chief