

August 8, 2016

Brent J. Fields Secretary Securities and Exchange Commission 100 F Street NE Washington, DC 20549-0609

Re: File No. S7-12-16: Amendments to Smaller Reporting Company Definition

To whom it may concern:

Calithera Biosciences is a clinical-stage biopharmaceutical company focused on discovering and developing novel small molecule drugs directed against tumor metabolism and tumor immunology targets for the treatment of cancer. I am the Senior Vice President and Chief Financial Officer of Calithera, and I appreciate the opportunity to provide comment to the Securities and Exchange Commission (SEC) on File No. S7-12-16: *Amendments to Smaller Reporting Company Definition*.

I was honored to give a presentation on this topic before last year's SEC Government-Business Forum on Small Business Capital Formation. I have included the slide deck that accompanied my talk as an addendum to this letter. As in previous years, the 2015 Forum approved a recommendation urging the SEC to revise the definitions of both smaller reporting company (SRC) and non-accelerated filer. Specifically, the Forum recommended:

The definitions of "smaller reporting company" and "non-accelerated filer," as defined or used in Rule 12b-2 of the Exchange Act, should be revised to include:

- *i.* an issuer with a public float of less than \$250 million as of the last business day of its most recently completed second fiscal quarter; or
- *ii.* an issuer with annual revenues of less than \$100 million during its most recently completed fiscal year and a public float of less than \$700 million as of the last business day of its most recently completed second fiscal quarter.

I strongly support the Forum's recommendation, and urge the SEC to make the recommended changes.

The SEC's proposal would reform the public float test in the SRC definition by increasing it to \$250 million. However, the SEC's proposal rejects the remainder of the Forum's recommendation by omitting an alternative revenue test and by failing to make any changes to the non-accelerated filer definition.

Compliance with Sarbanes-Oxley (SOX) Section 404(b), which is governed by the non-accelerated filer definition, is extremely costly for emerging biotechnology companies like Calithera. When we are forced to become compliant with Section 404(b) following the expiration of our emerging growth company (EGC) status, we estimate that we will spend more than \$400,000 annually on SOX compliance. Those funds would be better spent conducting research to support our effort to bring medicines to patients.

As I noted in my presentation, raising the non-accelerated filer public float test to \$250 million, as recommended by the Forum, would provide important regulatory relief and more accurately classify companies – all while resulting in a *de minimis* change in the percentage of total public float represented by companies exempt from SOX 404(b). The SEC's release notes that non-accelerated filers currently comprise 0.01% of total public float; the proposed change would bring that total to just 0.03%.

Similarly, instituting a \$100 million revenue test for companies with a public float below \$700 million (a much more limited universe than the \$1 billion revenue test that qualifies companies for the JOBS Act

SOX 404(b) exemption) would allow growing companies like Calithera to focus our critical innovation capital on R&D without substantially increasing investor risk.

I appreciate the SEC's attention to this important topic, and I am hopeful that the final rule will implement the vital reforms – to both the SRC and non-accelerated filer definitions – recommended by the Small Business Forum.

Sincerely,

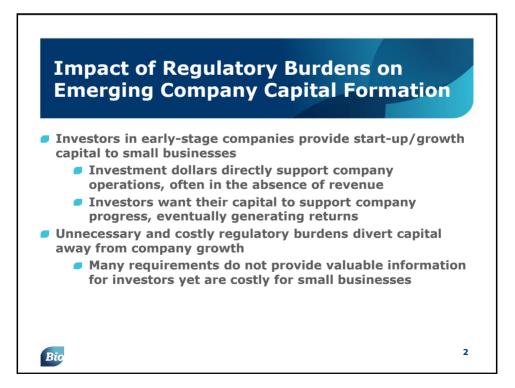
William D. Waddill Senior Vice President and Chief Financial Officer Calithera Biosciences, Inc.

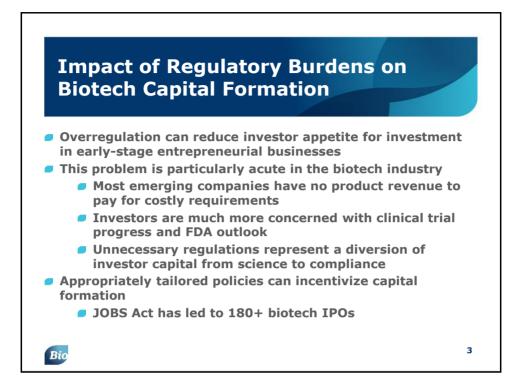
Registered Offerings Post JOBS Act

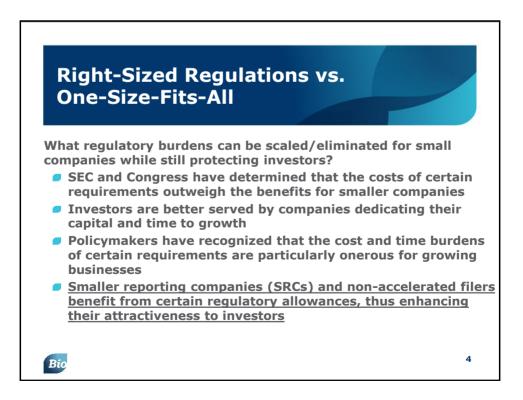
William D. Waddill SVP and CFO, Calithera Biosciences

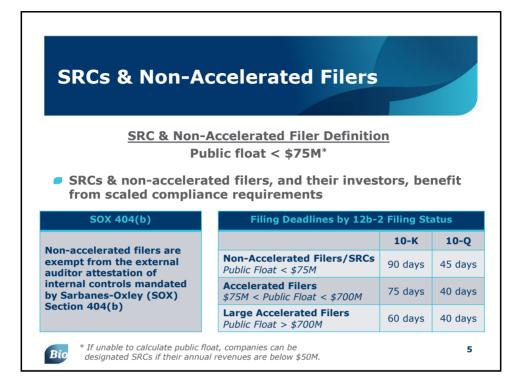
SEC Government-Business Forum on Small Business Capital Formation

November 19, 2015

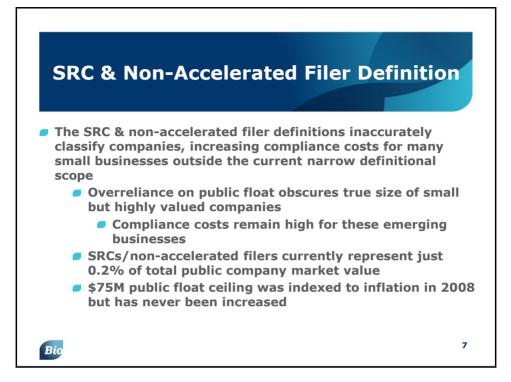








SRC	cs & Non-Accelerated Filers
	Regulation S-K Scaled Disclosure for SRCs
Item 101	Description of business
Item 201	Market price of and dividends on registrant's common equity and related stockholder matters
Item 301	Selected financial data
Item 302	Supplementary financial information
Item 303	MD&A of financial condition and results of operations
Item 305	Quantitative and qualitative disclosures about market risk
Item 402	Executive compensation
Item 404	Transactions with related persons, promoters and certain control persons
Item 407	Corporate governance
Item 503	Prospectus summary, risk factors, and ratio of earnings to fixed charges
Item 504	Use of proceeds
Item 601	Exhibits





SRC & Non-Accelerated Filer Reform

Numerous stakeholders have proposed reform of the SRC & non-accelerated filer definitions:

SEC Government-Business Forum	2014 2013 2012	Public float <\$250M or Annual revenues <\$100M*		
on Small Business Capital Formation	2011 2010 2009	Public float <\$250M		
SEC Advisory Committee on	2013	Public float <\$250; if public float cannot be calculated, annual revenues <\$100M		
Small & Emerging Companies	2005	Committee charter defines "smaller public companies" as market cap <\$250M		
House Committee on Financial Services	2014	Public float <\$250M or Annual revenues <\$100M*		
House Subcommittee on Capital Markets & GSEs	2012	Public float <\$250M or Annual revenues <\$100M*		
* Companies qualifying under the revenue test would be capped at a public float of \$700M (large accelerated filers)				

