INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

NovaBay Pharmaceuticals, Inc.

Form 3

October 24, 2007

FORM 3

 Name and Address of Reporting Person <u>*</u> Â O'Reilly John James 	2. Date of Event Requiring Statement (Month/Day/Year)	³ 3. Issuer Name and Ticker or Trading Symbol NovaBay Pharmaceuticals, Inc. [NBY]			
(Last) (First) (Middle)	10/24/2007	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)		
C/O NOVABAY PHARMACEUTICALS,		(Check all applicable)	`` `		
INC., 5908 HORTON STREET, SUITE 550		_X_ Director10% Owner _X_ Officer Other			
(Street)		(give title below) (specify below) CFO and SVP, Corporate Dev't	6. Individual or Joint/Group Filing(Check Applicable Line)		
EMERYVILLE, CA 94608			_X_ Form filed by One Reporting Person Form filed by More than One		

(City) (State) (Zip) Table I - Non-Derivative Securities Beneficially Owned 4. Nature of Indirect Beneficial 1. Title of Security 2. Amount of Securities 3. Beneficially Owned Ownership Ownership (Instr. 4) (Instr. 4) (Instr. 5) Form: Direct (D) or Indirect (I) (Instr. 5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

> Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Date Exercisable and	3. Title and Amount of	4.	5.	6. Nature of Indirect
(Instr. 4)	Expiration Date	Securities Underlying	Conversion	Ownership	Beneficial
	(Month/Day/Year)	Derivative Security	or Exercise	Form of	Ownership
		(Instr. 4)	Price of	Derivative	(Instr. 5)
			Derivative	Security:	

OMB APPROVAL

OMB 3235-0104 Number: January 31, Expires: 2005 Estimated average burden hours per response... 0.5

Form filed by More than One

Reporting Person

SEC 1473 (7-02)

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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Option (right to buy) (1)	05/23/2002	02/21/2012	Common Stock	350,000	\$ 0.2	D	Â
Option (right to buy) (1)	01/23/2004	01/22/2009	Common Stock	53,191	\$ 0.94	D	Â

Reporting Owners

Reporting Owner Name / Address		Relationships					
		10% Owner	Officer	Other			
O'Reilly John James C/O NOVABAY PHARMACEUTICALS, INC. 5908 HORTON STREET, SUITE 550 EMERYVILLE, CA 94608	ÂX	Â	CFO and SVP, Corporate Dev't	Â			
Signatures							
/s/ Jason R. Wisniewski, Attorney-in-Fact for John James O'Reilly			10/24/2007				
**Signature of Reporting Person			Date				
Explanation of Responses:							

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Granted pursuant to the Issuer's 2002 Stock Option Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.