

NovaBay Pharmaceuticals, Inc.  
 Form 3  
 October 24, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

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)

<p>1. Name and Address of Reporting Person *</p> <p>Â O'Reilly John James</p> <p>(Last) (First) (Middle)</p> <p>C/O NOVABAY                  PHARMACEUTICALS,                  INC.,Â 5908 HORTON                  STREET, SUITE 550</p> <p>(Street)</p> <p>EMERYVILLE,Â CAÂ 94608</p> <p>(City) (State) (Zip)</p>	<p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>10/24/2007</p>	<p>3. Issuer Name and Ticker or Trading Symbol</p> <p>NovaBay Pharmaceuticals, Inc. [NBY]</p>	<p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p><input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner  <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other                  (give title below) (specify below)                  CFO and SVP, Corporate Dev't</p>	<p>5. If Amendment, Date Original Filed(Month/Day/Year)</p>	<p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person  <input type="checkbox"/> Form filed by More than One Reporting Person</p>
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**Table I - Non-Derivative Securities Beneficially Owned**

<p>1. Title of Security (Instr. 4)</p>	<p>2. Amount of Securities Beneficially Owned (Instr. 4)</p>	<p>3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)</p>	<p>4. Nature of Indirect Beneficial Ownership (Instr. 5)</p>
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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

<p>1. Title of Derivative Security (Instr. 4)</p>	<p>2. Date Exercisable and Expiration Date (Month/Day/Year)</p>	<p>3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)</p>	<p>4. Conversion or Exercise Price of Derivative</p>	<p>5. Ownership Form of Derivative Security:</p>	<p>6. Nature of Indirect Beneficial Ownership (Instr. 5)</p>
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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) <sup>(1)</sup>	05/23/2002	02/21/2012	Common Stock	350,000	\$ 0.2	D	Â
Option (right to buy) <sup>(1)</sup>	01/23/2004	01/22/2009	Common Stock	53,191	\$ 0.94	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
O'Reilly John James C/O NOVABAY PHARMACEUTICALS, INC. 5908 HORTON STREET, SUITE 550 EMERYVILLE, CA 94608	Â X	Â	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.

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