UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark one)
☒ Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2008

or

☐ Transition Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the transition period from _________ to _________

Commission File Number: 0-24277

CLARUS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	58-1972600
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

One Landmark Square
Stamford, Connecticut 06901
(Address of principal executive offices)
(Zip code)

(203) 428-2000
(Registrant's telephone number, including area code)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☐ NO☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. YES ☐ NO☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) YES ☐ NO ☒

As of October 31, 2008, there were outstanding 17,366,747 shares of Common Stock, par value $0.0001.

INDEX

CLARUS CORPORATION

		Page
PART I	FINANCIAL INFORMATION	
Item 1.	Financial Statements	2
	Condensed Consolidated Balance Sheets - September 30, 2008 (unaudited) and December 31, 2007	2
	Condensed Consolidated Statements of Operations (unaudited) - Three and nine months ended September 30, 2008 and 2007	3
	Condensed Consolidated Statements of Cash Flows (unaudited) - Nine months ended September 30, 2008 and 2007	4
	Notes to Unaudited Condensed Consolidated Financial Statements - September 30, 2008	5
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	11
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	14
Item 4.	Procedures and Controls	14
PART II	OTHER INFORMATION	
Item 1A.	Risk Factors	15
Item 6.	Exhibits	16
SIGNATURES		16
EXHIBIT INDEX		17

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CLARUS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	SEPTEMBER 30, 2008 (unaudited)	DECEMBER 31, 2007
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 11,866	$ 41,886
Marketable securities	74,053	45,223
Interest receivable	10	15
Prepaids and other current assets	174	175
Total current assets	86,103	87,299
PROPERTY AND EQUIPMENT, NET	1,118	1,381
TOTAL ASSETS	$ 87,221	$ 88,680
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 562	$ 618
Total current liabilities	562	618
LONG-TERM LIABILITIES:		
Deferred rent	393	343
Total liabilities	955	961
STOCKHOLDERS' EQUITY:		
Preferred stock, $.0001 par value; 5,000,000 shares authorized; none issued	—	—
Common stock, $.0001 par value; 100,000,000 shares authorized; 17,441,747 and 17,441,747 shares issued and 17,366,747 and 17,366,747 outstanding in 2008 and 2007, respectively	2	2
Additional paid-in capital	370,364	369,827
Accumulated deficit	(284,036)	(282,121)
Treasury stock, at cost	(2)	(2)
Accumulated other comprehensive (loss) income	(62)	13
Total stockholders' equity	86,266	87,719
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 87,221	$ 88,680

SEE ACCOMPANYING NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

CLARUS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2008	2007	2008	2007
REVENUES:	$ —	$ —	$ —	$ —
Total revenues	—	—	—	—
OPERATING EXPENSES:				
General and administrative	1,160	961	3,563	2,644
Transaction costs	—	—	—	8
Depreciation	89	89	267	270
Total operating expenses	1,249	1,050	3,830	2,922
OPERATING LOSS	(1,249)	(1,050)	(3,830)	(2,922)
OTHER EXPENSE	—	—	—	(1)
INTEREST INCOME	534	1,086	1,915	3,242
NET (LOSS) INCOME	$ (715)	$ 36	$ (1,915)	$ 319
(Loss) Income per common share:				
Basic	$ (0.04)	$ 0.00	$ (0.11)	$ 0.02
Diluted	$ (0.04)	$ 0.00	$ (0.11)	$ 0.02
Weighted average shares outstanding:				
Basic	16,867	16,667	16,867	16,649
Diluted	16,867	17,079	16,867	17,074

SEE ACCOMPANYING NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

CLARUS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(IN THOUSANDS, EXCEPT SHARE AMOUNTS)

	NINE MONTHS ENDED SEPTEMBER 30,	
	2008	2007
OPERATING ACTIVITIES:		
Net (loss)/income	$ (1,915)	$ 319
Adjustments to reconcile net (loss)/income to net cash used in Operating activities:		
Depreciation on property and equipment	266	270
Amortization of equity compensation plans	537	201
Amortization of discount and premium on securities, net	(1,436)	(2,252)
Changes in operating assets and liabilities:		
Decrease in interest receivable, prepaids and other current assets	6	395
Decrease in accounts payable and accrued liabilities	(56)	(133)
Increase in deferred rent	50	50
NET CASH USED IN OPERATING ACTIVITIES	(2,548)	(1,150)
INVESTING ACTIVITIES:		
Purchases of marketable securities	(96,407)	(105,793)
Proceeds from maturity of marketable securities	68,938	125,611
Sale of property and equipment	—	2
Purchase of property and equipment	(3)	(47)
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(27,472)	19,773
FINANCING ACTIVITIES:		
Proceeds from the exercises of stock options	—	368
NET CASH PROVIDED BY FINANCING ACTIVITIES	—	368
CHANGE IN CASH AND CASH EQUIVALENTS	(30,020)	18,991
CASH AND CASH EQUIVALENTS, Beginning of Period	41,886	1,731
CASH AND CASH EQUIVALENTS, End of Period	$ 11,866	$ 20,722
SUPPLEMENTAL DISCLOSURE:		
Cash paid for franchise and property taxes	$ 374	$ 387

SEE ACCOMPANYING NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

CLARUS CORPORATION
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of Clarus Corporation and subsidiaries ("Clarus" or the "Company," which may be referred to as "we," "us," or "our") as of and for the three and nine months ended September 30, 2008 and 2007, have been prepared in accordance with accounting principles generally accepted in the United States of America and instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information in notes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the unaudited condensed consolidated financial statements have been included. The results of the three and nine months ended September 30, 2008 are not necessarily indicative of the results to be obtained for the year ending December 31, 2008. These interim financial statements should be read in conjunction with the Company's audited consolidated financial statements and footnotes thereto included in the Company's Form 10-K for the fiscal year ended December 31, 2007, filed with the Securities and Exchange Commission.

NOTE 2. SIGNIFICANT EVENTS

As part of our previously announced strategy to limit operating losses and enable the Company to redeploy its assets and use its substantial cash, cash equivalent assets and marketable securities to enhance stockholder value, on December 6, 2002, we sold substantially all of our electronic commerce business, which represented substantially all of our revenue-generating operations and related assets. During January 2003, we sold the assets relating to our Cashbook product representing the remainder of our operating assets.

No transaction expenses were recognized for the three and nine months ended September 30, 2008. The Company recognized approximately $8,000 of transaction expenses in the second quarter of 2007, arising out of an acquisition negotiation and due diligence process that terminated in June 2007 without the consummation of the acquisition. Transaction expense consists primarily of professional fees and expenses related to due diligence, negotiation and documentation of acquisition, financing and related agreements.

We are currently working to identify suitable merger partners or acquisition opportunities. Although we are not targeting specific business industries for potential acquisitions, we plan to seek businesses with substantial cash flow, experienced management teams, and operations in markets offering substantial growth opportunities.

Our investment portfolio consists primarily of United States government agency securities held in a custody account with JP Morgan Chase with a weighted average maturity of 108 days. The Company has continued to monitor its investment in U.S. Government Agency securities. On September 8, 2008, Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”), U.S. Government Agencies whose bonds we hold, were placed into a conservatorship by the U. S. Government which gives the U.S. Government control and oversight over management of Fannie Mae and Freddie Mac. We have not incurred any realized investment losses subsequent to September 30, 2008. We believe investments in U.S. Government Agency securities are stable and provide an increased yield over similar duration U.S. Treasury securities.

NOTE 3. (LOSS) EARNINGS PER SHARE

Basic net (loss) income per share attributable to common stockholders is computed by dividing the net (loss) income attributable to common stockholders by the weighted average number of shares of common stock outstanding for each period. Diluted net (loss) income per share attributable to common stockholders is computed by including the effect of all potentially dilutive securities, including options, warrants, restricted stock and redeemable convertible preferred stock. Potentially dilutive securities are excluded from the computation of diluted net (loss) income per share attributable to common stockholders if their effect is anti-dilutive.

For the three and nine months ended September 30, 2008, basic net loss per share attributable to common stockholders is the same as diluted net loss per share attributable to common stockholders because all potentially dilutive securities were anti-dilutive in computing diluted net loss per share for the period. Options to acquire 1,848,750 and 1,458,750 shares of common stock, respectively, during the three and nine months ended September 30, 2008, were outstanding, but not included in the calculation of weighted average number of diluted shares outstanding because the option exercise prices were higher than the average market price of the Company's common stock during the period. In addition, diluted net loss per share attributable to common stockholders excludes the potentially dilutive effect of options to purchase 60,000 and 450,000 shares of the Company's common stock, respectively, and 500,000 shares of restricted stock whose exercise prices were lower than the average market price of the Company's common stock during the three and nine months ended September 30, 2008, as their inclusion would have been anti-dilutive because the Company incurred losses during the periods.

For the three and nine months ended September 30, 2007, diluted net income per share attributable to common stockholders included the dilutive effect of options to purchase 1,068,750 shares of the Company's common stock and 500,000 shares of restricted stock as these securities were potentially dilutive in computing net income per share. Diluted net income per share for the three and nine months ended September 30, 2007 excluded the anti-dilutive effect of options to purchase 555,000 shares of the Company's common stock whose exercise prices were higher than the average market price of the Company's common stock.

The following table is a reconciliation of basic and diluted shares outstanding used in the calculation of Earnings per share (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Basic earnings per share calculation:				
Net (loss) income	$ (715)	$ 36	$ (1,915)	$ 319
Weighted average common shares – basic	16,867	16,667	16,867	16,649
Basic net (loss) income per share	$ (0.04)	$ 0.00	$ (0.11)	$ 0.02
Diluted earnings per share calculation:				
Net (loss) income	$ (715)	$ 36	$ (1,915)	$ 319
Weighted average common shares – basic	16,867	16,667	16,867	16,649
Effect of dilutive stock options	—	161	—	180
Effect of dilutive restricted stock	—	251	—	245
Weighted average common shares diluted	16,867	17,079	16,867	17,074
Diluted net (loss) income per share	$ (0.04)	$ 0.00	$ (0.11)	$ 0.02

NOTE 4. STOCK-BASED COMPENSATION PLAN

The Company adopted the 2005 Stock Incentive Plan (the "2005 Plan"), which was approved by stockholders at the Company's annual meeting in June 2005. Under the 2005 Plan, the Board of Directors has flexibility to determine the type and amount of awards to be granted to eligible participants, who must be employees of the Company or its subsidiaries, directors, officers or consultants to the Company. The 2005 Plan provides for grants of incentive stock options, nonqualified stock options, restricted stock awards, stock appreciation rights, and restricted units. As of September 30, 2008, the number of shares authorized and reserved for issuance under the 2005 Plan is 4.4 million, subject to an automatic annual increase equal to 4% of the total number of shares of Clarus' common stock outstanding. The aggregate number of shares of common stock that may be granted through awards under the 2005 Plan to any employee in any calendar year may not exceed 500,000 shares. The 2005 Plan will continue in effect until June 2015 unless terminated sooner. As of September 30, 2008, 625,000 stock options have been awarded under the plan of which 325,000 are unvested and 300,000 are vested and eligible for exercise.

On September 24, 2008, the Company issued 60,000 stock options, under the Company's 2005 Plan, to directors of the Company. The vesting period is quarterly beginning September 30, 2008 over one year. For computing the fair value of the stock-based awards, the fair value of each option grant has been estimated as of the date of grant using the Black-Scholes option-pricing model with the following assumptions:

Options Vesting Period	1 year

Dividend Yield	0.00%
Expected volatility	28.95%
Risk-free interest rate	2.98%
Expected life	5.31 years
Weighted average fair value	$ 1.61

Using these assumptions, the fair value of the stock options granted during the period ended September 30, 2008 was approximately $96,750 which will be amortized over the vesting period of the options. There were no options granted during the period ended September 30, 2007.

Under SFAS 123R, the Company recorded total non-cash equity compensation expense related to stock options and restricted stock as follows:

	Three Months Ended		Nine Months Ended	
	09/30/08	09/30/07	09/30/08	09/30/07
Restricted Stock	$ 67,000	$ 67,000	$ 201,000	$ 201,000
Stock Options	$ 73,129	$ —	$ 335,629	$ —
Total	$ 140,129	$ 67,000	$ 536,629	$ 201,000

A summary of the status of stock option grants as of September 30, 2008, and changes during the nine months ended September 30, 2008, is presented below:

	Options	Weighted Average Exercise Price
Outstanding at December 31, 2007	1,848,750	$ 7.24
Granted	60,000	$ 5.01
Exercised	—	—
Forfeited	—	—
Outstanding at September 30, 2008	1,908,750	$ 7.17
Options exercisable at September 30, 2008	1,583,750	$ 7.44

The following table summarizes information about stock options outstanding as of September 30, 2008:

Exercise Price Range	Outstanding	Exercisable	Remaining Life In Years	Weighted Average Exercise Price
$5.01 - $ 5.79	450,000	405,000	6.6	$ 5.34
$5.80 - $10.00	1,458,750	1,178,750	6.0	$ 8.17
Total	1,908,750	1,583,750	6.3	$ 7.44

The fair value of unvested options is determined based on the closing market price of our shares on the grant date and is recognized over the requisite service period of one to six years. As of September 30, 2008, there were 325,000 unvested shares and unrecognized compensation cost of $583,000 related to unvested stock options.

NOTE 5. COMPREHENSIVE (LOSS) INCOME

The Company utilizes SFAS No. 130 "Reporting Comprehensive Income." SFAS No. 130 establishes standards for reporting and presentation of comprehensive (loss) income and its components of net (loss) income and "Other Comprehensive (Loss) Income." "Other Comprehensive (Loss) Income" refers to revenues, expenses and gains and losses that are not included in net (loss) income but rather are recorded directly in stockholders' equity. The components of comprehensive (loss) income for the three and nine months ended September 30, 2008 and 2007 were as follows:

(in thousands)	THREE MONTHS ENDED SEPTEMBER 30, 2008	THREE MONTHS ENDED SEPTEMBER 30, 2007	NINE MONTHS ENDED SEPTEMBER 30, 2008	NINE MONTHS ENDED SEPTEMBER 30, 2007
Net (loss)/income	$ (715)	$ 36	$ (1,915)	$ 319
Unrealized (loss)/gain on marketable securities	(47)	50	(75)	25
Comprehensive (loss)/income	$ (762)	$ 86	$ (1,990)	$ 344

NOTE 6. CONTINGENCIES

We are not a party to nor are any of our properties subject to any pending legal, administrative or judicial proceedings other than routine litigation incidental to our business.

NOTE 7. NEW ACCOUNTING PRONOUNCEMENTS

In March 2008, the FASB issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities ("SFAS 161"), which amends SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133") and requires enhanced disclosures about how and why an entity uses derivative instruments, how derivative instruments and related hedged items are accounted for under SFAS 133 and its related interpretations, and how derivative instruments and related hedge items affect an entity's financial position, financial performance, and cash flows. SFAS 161 also requires the disclosure of the fair values of derivative instruments and their gains and losses in a tabular format and requires cross-referencing within the footnote of important information about derivative instruments. SFAS 161 is effective for financial statements issued for fiscal years beginning on or after November 15, 2008. The Company is currently evaluating the effect that the adoption of SFAS 161 might have on its consolidated financial statements.

In May 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles ("SFAS 162"). This standard identifies sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with U.S. generally accepted accounting principles. The Company does not believe SFAS 162 will change its current practices and thereby believes it will not impact preparation of the consolidated financial statements.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities – Including an Amendment of FASB No. 115," ("SFAS 159"). SFAS 159 allows a company to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and financial liabilities on a contract-by-contract basis, with changes in fair value recognized in earnings. SFAS No. 159 is effective for fiscal years beginning on November 15, 2007 and is being applied prospectively. The adoption of this pronouncement has had no impact on the Company's consolidated financial statements.

In December 2007, the FASB released SFAS No. 141(R), Business Combinations (revised 2007) ("SFAS 142(R)"), which changes many well-established business combination accounting practices and significantly affects how acquisition transactions are reflected in the financial statements. Additionally, SFAS 141(R) will affect how companies negotiate and structure transactions, model financial projections of acquisitions and communicate to stakeholders. SFAS 141(R) must be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. The Company is currently evaluating the impact the adoption of this statement could have on its consolidated financial statements.

In December 2007, the FASB released SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51 ("SFAS 160"), which establishes accounting and reporting standards for the noncontrolling interests in a subsidiary and for the deconsolidation of a subsidiary. SFAS 160 requires consolidated net income to be reported at amounts that include the amounts attributable to both the parent and the noncontrolling interests and requires disclosure, on the face of the consolidated statement of income, of the amounts of consolidated net income attributable to the parent and to the noncontrolling interest. Previously, net income attributable to the noncontrolling interest was reported as an expense or other deduction in arriving at consolidated net income. SFAS 160 is effective for financial statements issued for fiscal years beginning after December 15, 2008. The Company believes the adoption of this statement will not have a material impact on its consolidated financial statements.

In September 2006, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements", which establishes a framework for reporting fair value and expands disclosures about fair value measurements. SFAS No. 157 was effective for the Company on January 1, 2008, with the exception that the applicability of SFAS No. 157's fair value measurement requirements to nonfinancial assets and liabilities that are not required or permitted to be recognized or disclosed at fair value on a recurring basis has been delayed by the FASB for one year. The partial adoption of this pronouncement had no impact on the Company's consolidated financial statements.

NOTE 8. RELATED PARTY TRANSACTIONS

In September 2003, the Company and Kanders & Company, Inc. ("Kanders & Company"), an entity owned and controlled by the Company's Executive Chairman, Warren B. Kanders, entered into a 15-year lease with a five-year renewal option, as co-tenants to lease approximately 11,500 square feet in Stamford, Connecticut. The Company and Kanders & Company have initially agreed to allocate the total lease payments of $33,542 per month on the basis of Kanders & Company renting 2,900 square feet for $8,386 per month, and the Company renting 8,600 square feet for $25,156 per month, which are subject to increases during the term of the lease. Rent expense is recognized on a straight line basis. The lease provides the co-tenants with an option to terminate the lease in years eight and ten in consideration for a termination payment. The Company and Kanders & Company agreed to pay for their proportionate share of the build-out construction costs, fixtures, equipment and furnishings related to preparation of the space. In connection with the lease, the Company obtained a stand-by letter of credit in the amount of $850,000 to secure lease obligations for the Stamford facility. Kanders & Company reimburses the Company for a pro rata portion of the approximately $5,000 annual cost of the letter of credit.

The Company provides certain telecommunication, administrative and other office services as well as accounting and bookkeeping services to Kanders & Company that are reimbursed by Kanders & Company. Such services aggregated $51,300 during the three months ended September 30, 2008 and $79,000 during the three months ended September 30, 2007. For the nine month periods ended September 30, 2008 and 2007, respectively, such services aggregated $127,000 and $221,300, respectively.

As of September 30, 2008, the Company had a net receivable of $7,000 from Kanders & Company. The amount due to and from Kanders & Company is included in prepaids and other current assets and accounts payable and accrued liabilities in the accompanying consolidated balance sheet. The outstanding amount was paid and received in October 2008. As of September 30, 2007, the Company had an outstanding receivable of $79,000 from Kanders & Company. The outstanding amount was paid in November 2007.

The Company provides certain telecommunication, administrative and other office services to Stamford Industrial Group, Inc., formerly known as Net Perceptions, Inc. ("SIG") that are reimbursed by SIG. Warren B. Kanders, our Executive Chairman, also serves as the Non-Executive Chairman of SIG. Such services aggregated $8,500 during the three months ended September 30, 2008 and $15,800 during the three months ended June 30, 2007. For the nine month period ended September 30, 2008 and 2007, respectively, such services aggregated $27,100 and $71,000, respectively.

As of September 30, 2008, the Company had outstanding a receivable of $8,500 due from SIG. The amount due from SIG is included in prepaids and other current assets in the accompanying consolidated balance sheet. The outstanding amount was paid in the fourth quarter of 2008. As of September 30, 2007, the Company had outstanding a receivable of $15,700 from SIG. The outstanding amount was paid by SIG in November 2007.

During the quarter ended September 30, 2008, the Company incurred charges of approximately $14,000 for payments to Kanders Aviation LLC, an affiliate of the Company's Executive Chairman, Warren B. Kanders, relating to aircraft travel by officers of the Company for potential redeployment transactions, pursuant to the Transportation Services Agreement, dated December 18, 2003 between the Company and Kanders Aviation LLC. The Company did not incur any expenses or payments for the three- and nine-month periods ended September 30, 2007. As of September 30, 2008 and 2007, the Company had no outstanding receivables from or payables to Kanders Aviation LLC.

In the opinion of management, the rates, terms and considerations of the transactions with the related parties described above approximate those that the Company would have received in transactions with unaffiliated parties.

The Board of Directors has a general practice of requiring directors interested in a transaction not to participate in deliberations or to vote upon transactions in which they have an interest, and to be sure that transactions with directors, executive officers and major shareholders are on terms that align the interests of the parties to such agreements with the interests of the stockholders.

NOTE 9. NET OPERATING LOSS AND CAPITAL LOSS CARRYFORWARD EXPIRATION

At September 30, 2008, the Company has net operating loss, research and experimentation credit and alternative minimum tax credit carryforwards for U.S. federal income tax purposes of approximately $229.5 million, $1.3 million and $56,000, respectively, which expire in varying amounts beginning in the year 2009. The Company also has a capital loss carryforward of $1.6 million which expires in 2008. The Company's ability to benefit from certain net operating loss and tax credit carryforwards is limited under Section 382 of the Internal Revenue Code due to a prior ownership change of greater than 50%. Accordingly, approximately $224.8 million of the $229.5 million of U.S. net operating loss carryforward is currently available to offset taxable income that the Company may recognize in the future. Of the approximately $224.8 million of net operating losses available to offset taxable income, approximately $207.5 million does not begin to expire until 2020 or later, subject to compliance with Section 382 of the Internal Revenue Code.

NET OPERATING LOSS AND CAPITAL LOSS CARRYFORWARD EXPIRATION DATES*
(UNAUDITED)
SEPTEMBER 30, 2008

Expiration Dates December 31	Net Operating Loss Amount (000's)	Capital Loss Amount (000's)
2008	$ -	$ 1,599
2009	1,900	
2010	7,417	
2011	7,520	
2012	5,157	
2020	29,533	
2021	50,430	
2022	115,000	
2023	5,712	
2024	3,566	
2025	1,707	
2026	476	
2028	1,121	
Total	229,539	1,599
Section 382 limitation	(4,765)	-
After Limitations	$ 224,774	$ 1,599

*Subject to compliance with Section 382 of the Internal Revenue Code.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements, including information about or related to our future results, certain projections and business trends. Assumptions relating to forward-looking statements involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. When used in this report, the words "estimate," "project," "intend," "believe," "expect" and similar expressions are intended to identify forward-looking statements. Although we believe that our assumptions underlying the forward-looking statements are reasonable, any or all of the assumptions could prove inaccurate, and we may not realize the results contemplated by the forward-looking statements. Management decisions are subjective in many respects and susceptible to interpretations and periodic revisions based upon actual experience and business developments, the impact of which may cause us to alter our business strategy or capital expenditure plans that may, in turn, affect our results of operations. In light of the significant uncertainties inherent in the forward-looking information included in this report, you should not regard the inclusion of such information as our representation that we will achieve any strategy, objectives or other plans. The forward-looking statements contained in this report speak only as of the date of this report, and we have no obligation to update publicly or revise any of these forward-looking statements.

These and other statements, which are not historical facts, are based largely upon our current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by such forward-looking statements. These risks and uncertainties include, among others, our planned effort to redeploy our assets and use our substantial cash, cash equivalents and marketable securities to enhance stockholder value following the sale of substantially all of our electronic commerce business, which represented substantially all of our revenue generating operations and related assets, and the risks and uncertainties as set forth in "Risk Factors" found in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2007 and described below.

We cannot assure you that we will be successful in our efforts to redeploy our assets or that any such redeployment will result in Clarus' future profitability. Our failure to redeploy our assets could have a material adverse effect on the market price of our common stock and our business, financial condition and results of operations.

OVERVIEW

AS PART OF OUR PREVIOUSLY ANNOUNCED STRATEGY TO LIMIT OPERATING LOSSES AND ENABLE THE COMPANY TO REDEPLOY ITS ASSETS AND USE ITS SUBSTANTIAL CASH, CASH EQUIVALENTS AND MARKETABLE SECURITIES TO ENHANCE STOCKHOLDER VALUE, ON DECEMBER 6, 2002, WE SOLD SUBSTANTIALLY ALL OF OUR ELECTRONIC COMMERCE BUSINESS, WHICH REPRESENTED SUBSTANTIALLY ALL OF OUR REVENUE GENERATING OPERATIONS AND RELATED ASSETS. RESULTS FOR THE THREE AND NINE MONTH PERIOD ENDED SEPTEMBER 30, 2008 AND ANY FUTURE PERIODS PRIOR TO A REDEPLOYMENT OF OUR ASSETS ARE EXPECTED PRIMARILY TO REFLECT GENERAL AND ADMINISTRATIVE EXPENSES, TRANSACTION EXPENSES AND INTEREST INCOME ASSOCIATED WITH THE CONTINUING ADMINISTRATION OF THE COMPANY AND ITS EFFORTS TO REDEPLOY ITS ASSETS.

CRITICAL ACCOUNTING POLICIES AND USE OF ESTIMATES

The Company's discussion of financial condition and results of operations is based on the consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these consolidated financial statements require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting periods. The Company continually evaluates its estimates and assumptions including those related to revenue recognition, allowance for doubtful accounts, impairment of long-lived assets, impairment of investments, and contingencies and litigation. The Company bases its estimates on historical experience and other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The Company believes the following critical accounting policies include the more significant estimates and assumptions used by management in the preparation of its consolidated financial statements. Our accounting policies are more fully described in Note 1 of our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2007.

- The Company accounts for its marketable securities under the provisions of Statement of Financial Accounting Standards ("SFAS") No. 115, "Accounting for Certain Investments in Debt and Equity Securities". Pursuant to the provisions of SFAS No. 115, the Company has classified its marketable securities as available-for-sale. Available-for-sale securities have been recorded at fair value and related unrealized gains and losses have been excluded from earnings and are reported as a separate component of accumulated other comprehensive (loss) income until realized.

- The Company accounts for income taxes pursuant to Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"). Under the asset and liability method specified thereunder, deferred taxes are determined based on the difference between the financial reporting and tax bases of assets and liabilities. Deferred tax liabilities are offset by deferred tax assets relating to net operating loss carryforwards, tax credit carryforwards and deductible temporary differences. Recognition of deferred tax assets is based on management's belief that it is more likely than not that the tax benefit associated with temporary differences and operating and capital loss carryforwards will be utilized. A valuation allowance is recorded for those deferred tax assets for which it is more likely than not that the realization will not occur.

- On January 1, 2006, the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payments" ("SFAS 123R"), requiring recognition of expense related to the fair value of stock option awards. The Company recognizes the cost of the share-based awards on a straight-line basis over the requisite service period of the award. Under SFAS 123R, compensation cost recognized during 2008 and 2007 would include: (a) compensation cost for all share-based payments granted prior to, but not yet vested as of January 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS 123, and (b) compensation cost for all share-based payments granted subsequent to January 1, 2006, based on the grant-date fair value estimated in accordance with the provisions of SFAS 123R.

SOURCES OF REVENUE

Until a redeployment of the Company's assets occurs, the Company's principal income will consist of interest, dividend and other investment income from short-term investments, which is reported as interest income in the Company's statement of operations.

OPERATING EXPENSES

General and administrative expense includes salaries and employee benefits, non-cash equity compensation, rent, insurance, legal, accounting, investment management fees and other professional fees, state and local non income based taxes, board of director fees as well as public company expenses such as transfer agent and listing fees and expenses.

Transaction expense consists primarily of professional fees and expenses related to due diligence, negotiation and documentation of acquisition, financing and related agreements.

RESULTS OF OPERATIONS - COMPARISON OF THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2008 AND 2007

On December 6, 2002, the Company completed the disposition of substantially all its operating assets, and the Company is now evaluating alternative ways to redeploy its cash, cash equivalents and marketable securities into new businesses. The discussion below is therefore not meaningful to an understanding of future revenue, earnings, operations, business or prospects of the Company following such a redeployment of its assets.

GENERAL AND ADMINISTRATIVE

General and administrative expenses increased $199,000, or 21%, to $1,160,000 during the quarter ended September 30, 2008, compared to $111,000 during the quarter ended September 30, 2007. The increase in general and administrative expense for the quarter ended September 30, 2008, compared to the quarter ended September 30, 2007, was primarily attributable to increases in non-cash equity compensation expense, employment compensation and benefits, investment management fees, professional fees and travel expenses offset by decreases in franchise and property taxes. General and administrative expenses increased $919,000, or 35%, to $3,563,000 during the nine-month period ended September 30, 2008, compared to $2,644,000 during the same period ended September 30, 2007. The increase in general and administrative expense for the nine months ended September 30, 2008 was primarily attributable to increases in non-cash equity compensation expense, employment compensation and benefits, investment management fees, other professional fees and travel expenses offset by decreases in franchise and property taxes. Management believes the Company will incur a net loss in fiscal 2008 based on our current level of expenses due to lower projected investment yields on our investment portfolio.

TRANSACTION EXPENSES

Transaction expenses decreased $8,000, or 100%, to zero during the three and nine months ended September 30, 2008, compared to $8,000 incurred for the same period ended September 30, 2007, arising out of an acquisition, negotiation and due diligence process that terminated without the consummation of the acquisition. Transaction expenses represent the costs incurred during due diligence and negotiation of potential acquisitions, such as legal, accounting, appraisal and other professional fees and related expenses.

DEPRECIATION EXPENSE

Depreciation expense remained consistent at $89,000 for the three months ended September 30, 2008 and 2007. For the nine months ended September 30, 2008, depreciation expense decreased $3,000, or 1%, to $267,000, compared to $270,000 in the same period ended September 30, 2007. The decrease is primarily attributable to less depreciation for office equipment and minimal purchase of new fixed assets.

OTHER EXPENSE

There was no other income or expense for the quarters ended September 30, 2008 and 2007. For the nine months ended September 30, 2008, other income decreased $1,000, or 100%, to zero compared to $1,000 in the same period ended September 30, 2007, when the Company recorded a loss from the disposal of equipment.

INTEREST INCOME

Interest income decreased $552,000, or 51%, to $534,000 for the quarter ended September 30, 2008, from $1.1 million in the quarter ended September 30, 2007. Interest income for the quarters ended June 30, 2008 and 2007, includes $0.5 million and $1.0 million in discount accretion and premium amortization, respectively. The decrease in interest income was due primarily to lower rates of return on investments. The weighted average interest rate for our investments for the three-month period ended September 30, 2008, was 2.51% compared to 5.12% for same period in 2007.

During the nine months ended September 30, 2008, interest income decreased $1.3 million, or 41%, to $1.9 million from $3.2 million during the nine months ended September 30, 2007. Interest income for the nine-month period ended September 30, 2008 and 2007, includes $1.8 million and $2.6 million in discount accretion and premium amortization, respectively. The decrease in interest income was due primarily to lower rates of return that we received on our cash, cash equivalent assets and marketable securities. The weighted average interest rate for our investments for the nine months ended September 30, 2008 was 2.98% compared to 5.13% for same period in 2007.

The current earnings rate for our investments as of October 15, 2008 is 1.97%. We expect the current earnings rate to decline as existing higher yielding investments mature and are invested at lower current interest rates.

INCOME TAXES

As a result of the operating losses incurred since the Company's inception, no provision or benefit for income taxes was recorded during the three and nine month periods ended September 30, 2008 and 2007, respectively.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash and cash equivalents decreased to $11.9 million at September 30, 2008, from $41.9 million at December 31, 2007, due to repositioning of our investment portfolio to marketable securities. Marketable securities are investments with a longer duration under the accounting principles generally accepted in the United States of America. As of September 30, 2008, the weighted average maturity of the portfolio is 108 days. Marketable securities increased to $74.1 million at September 30, 2008, from $45.2 million at December 31, 2007. The overall combined decrease of $1.2 million in cash and cash equivalents and marketable securities is primarily due to the decrease in interest income and an increase in operating expenses for the nine month period ended September 30, 2008.

Cash used by operating activities was approximately $2.6 million during the nine months ended September 30, 2008, compared to cash used by operating activities of approximately $1.2 million during the nine months ended September 30, 2007. The increase in cash used by operations was primarily attributable to the Company's net loss, an increase in discount amortization and a decrease in accounts payables and accrued liabilities offset by an increase in non-cash items.

Cash used by investing activities was approximately $27.5 million during the nine months ended September 30, 2008. The cash was used by the purchase of marketable securities partially offset by the maturity of marketable securities. Cash provided by investing activities was approximately $19.8 million during the nine months ended September 30, 2007. The cash was provided primarily by the maturity of marketable securities partially offset by the purchase of marketable securities. Capital expenditures were approximately $3,000 for the nine-month period ended September 30, 2008, compared to $47,000 for the same period in 2007.

There was no cash provided by or used in financing activities during the three and nine months ended September 30, 2008. Cash provided by financing activities was $0.4 million for the nine months ended September 30, 2007. The cash provided by financing activities during the nine months ended September 30, 2007, was attributable to proceeds from the exercise of stock options.

At September 30, 2008, the Company has net operating loss, research and experimentation credit and alternative minimum tax credit carryforwards for U.S. federal income tax purposes of approximately $229.5 million, $1.3 million and $56,000, respectively, which expire in varying amounts beginning in the year 2009. The Company also has a capital loss carryforward of $1.6 million which expires in 2008. The Company's ability to benefit from certain net operating loss and tax credit carryforwards is limited under Section 382 of the Internal Revenue Code due to a prior ownership change of greater than 50%. Accordingly, approximately $224.8 million of the $229.5 million of U.S. net operating loss carryforward is currently available to offset taxable income that the Company may recognize in the future. Of the approximately $224.8 million of net operating losses available to offset taxable income, approximately $207.5 million does not begin to expire until 2020 or later, subject to compliance with Section 382 of the Internal Revenue Code.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We do not hold derivative financial investments, derivative commodity investments, engage in foreign currency hedging or other transactions that expose us to material market risk. Our investment portfolio consists primarily of United States government agency securities held in a custody account at JP Morgan Chase. The Company has continued to monitor its investment in U.S. Government Agency securities and has not incurred any losses. The Company's investment portfolio includes a significant amount of short-term, unsecured debt issued by the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). We believe investments in U.S. Government Agency securities are stable and provide an increased yield over similar duration U.S. Treasury securities. As a result of the subprime mortgage crisis of late 2007 and 2008, on September 8, 2008, Fannie Mae and Freddie Mac were placed into conservatorship by the U.S. Government which gives the U.S. Government control and oversight over management of Fannie Mae and Freddie Mac.

Our investment portfolio consists primarily of United States government agency securities held in a custody account with JP Morgan Chase with a weighted average maturity of 108 days. The Company has continued to monitor its investment in U.S. Government Agency securities which includes bonds issued by Fannie Mae and Freddie Mac. We have not incurred any realized investment loses subsequent to September 30, 2008. We believe investments in U.S. Government Agency securities are stable and provide an increased yield over similar duration U.S. Treasury securities.

ITEM 4. PROCEDURES AND CONTROLS

Evaluation of Disclosure Controls and Procedures

The Company's management carried out an evaluation, under the supervision and with the participation of the Company's Executive Chairman of the Board of Directors and Chief Financial Officer, its principal executive officer and principal financial officer, respectively of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2008, pursuant to Exchange Act Rule 13a-15. Such disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company is accumulated and communicated to the appropriate management on a basis that permits timely decisions regarding disclosure. Based upon that evaluation, the Company's Executive Chairman of the Board of Directors and Chief Financial Officer concluded that the Company's disclosure controls and procedures as of September 30, 2008 are effective.

Changes in Internal Control over Financial Reporting

There have not been any changes in the Company's internal control over financial reporting that have come to management's attention during the third quarter ended September 30, 2008 evaluation that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

Recent turmoil across various sectors of the financial markets may negatively impact the Company's business, financial condition and/or operating results.

Recently, the various sectors of the credit markets and the financial services industry have been experiencing a period of unprecedented turmoil and upheaval characterized by the disruption in credit markets and availability of credit and other financing, the failure, bankruptcy, collapse or sale of various financial institutions and an unprecedented level of intervention from the United States federal government. While the ultimate outcome of these events cannot be predicted, they may have a material adverse effect on our ability to obtain financing necessary to effectively execute our redeployment strategy and on the market value of our investment portfolio and otherwise on our ability to redeploy our assets and use our cash, cash equivalents and marketable securities to acquire an operating business which could have a material adverse effect on the market price of our common stock and our business, financial condition and results of operations.

Except as discussed above, there are no material changes to the risk factors disclosed in the factors discussed in "Risk Factors" in Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2007 and in Part II, Item 1A of the Company Quarterly Report on Form 10-Q for the quarter ended June 30, 2008, which could materially affect the Company's business, financial condition or future results. The risks described in the Company's filings with the Securities and Exchange Commission are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial also may materially adversely affect the Company's business, financial condition and/or operating results.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CLARUS CORPORATION

Date: November 3, 2008

/s/ Warren B. Kanders
Warren B. Kanders,
Executive Chairman of the Board of Directors
(Principal Executive Officer)

/s/ Philip A. Baratelli
Philip A. Baratelli,
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT INDEX

Number	Exhibit
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Warren B. Kanders, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Clarus Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2008

By: */s/ Warren B. Kanders*
Name: Warren B. Kanders
Title: Executive Chairman of the Board of Directors

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Philip A. Baratelli certify that:

1. I have reviewed this quarterly report on Form 10-Q of Clarus Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2008

By: */s/ Philip A. Baratelli*
Name: Philip A. Baratelli
Title: Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Warren B. Kanders, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Clarus Corporation on Form 10-Q for the quarter ended September 30, 2008, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of Clarus Corporation.

Date: November 3, 2008

By: /s/ Warren B. Kanders
Name: Warren B. Kanders
Title: Executive Chairman of the Board of Directors (Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Philip A. Baratelli, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Clarus Corporation on Form 10-Q for the quarter ended September 30, 2008, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of Clarus Corporation.

Date: November 3, 2008

By: /s/ Philip A. Baratelli
Name: Philip A. Baratelli
Title: Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.