

DURECT CORP
Form 8-K
January 24, 2007

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

Current Report

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

January 23, 2007

Date of Report

(Date of earliest event reported)

DURECT CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

000-31615
(Commission File Number)

94-3297098
(I.R.S. Employer

Identification No.)

2 Results Way

Cupertino, CA 95014

(Address of principal executive offices) (Zip code)

(408) 777-1417

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into or Amendment of Material Definitive Agreement

Effective January 23, 2007, DURECT Corporation (the Company) and Voyager Pharmaceutical Corporation (Voyager) entered into an amendment to the Feasibility, Development and Commercialization Agreement dated July 22, 2002 (the Agreement). Pursuant to the Agreement, the Company had granted to Voyager the exclusive, worldwide rights to develop and commercialize a product, Memryte, using DURECT's DURIN implant system to deliver the peptide leuprolide acetate to treat Alzheimer's disease based on Voyager's patented method of treatment.

Under the amendment, among other changes to the Agreement, the royalty rate that the Company will receive on net sales of Memryte, if commercialized, was doubled (to 10-14% of net sales after the amendment), and in addition, the Company will now receive 10% of any upfront, milestone and other fees received by Voyager in the event that the product is sublicensed to a third party. In return, the Company will pay Voyager \$1 million in cash and forgive approximately \$725,000 which was owed to the Company for previously provided services.

SIGNATURES

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

DURECT Corporation

Date: January 24, 2007

By: /s/ James E. Brown
James E. Brown
President and Chief Executive Officer