

NEOSE TECHNOLOGIES INC
Form 8-K
January 29, 2008

UNITED STATES
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

Date of Report (Date of Earliest Event Reported):

January 28, 2008

Neose Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware

000-27718

13-3549286

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

102 Rock Road, Horsham, Pennsylvania

19044

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

215-315-9000

Not Applicable

Former name or former address, if changed since last report

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 2.05 Costs Associated with Exit or Disposal Activities.

On January 29, 2008, Neose Technologies, Inc. (the "Company") announced the discontinuation of further development of NE-180, the Company's product candidate intended for the treatment of anemia in patients with chronic kidney disease and cancer patients receiving chemotherapy. The decision to discontinue development was not due to any safety or efficacy concerns about NE-180.

In connection with the discontinuation of further development of NE-180, the Company will reduce its staff by approximately 35%, which includes the departure of Debra J. Poul, the Company's senior vice president and general counsel.

On January 28, 2008, the Board of Directors authorized management, in its discretion, to implement the program discontinuation and workforce reduction. Management decided on January 29, 2008 to implement the program discontinuation and workforce reduction.

The Company estimates that it will pay cash severance benefits of approximately \$0.9 million in connection with the workforce reduction, most of which will be paid in the first quarter of 2008. The Company does not expect to incur any material contract termination charges, and has not yet determined if it will incur any non-cash impairment charges in connection with the program discontinuation.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The discussion above under Item 2.05 is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

The attached Exhibit Index is incorporated herein by reference.

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Statements in this Current Report on Form 8-K regarding the Company's business that are not historical facts, including statements regarding our NE-180 program discontinuation and workforce reduction and their financial impact, and the timing and amount of termination and impairment charges that we expect to incur in connection with this program discontinuation and workforce reduction, are “forward-looking statements” that involve risks and uncertainties. For a discussion of these risks and uncertainties, any of which could cause the Company's actual results to differ from those contained in the forward-looking statement, see the sections entitled “Risk Factors” and “Special Note Regarding Forward-Looking Statements” in the Company's Annual Report on Form 10-K for the year ended December 31, 2006 and discussions of potential risks and uncertainties in the Company's subsequent filings with the SEC.

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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.

Neose Technologies, Inc.

January 29, 2008

By: *A. Brian Davis*

Name: A. Brian Davis

Title: Senior Vice President and Chief Financial Officer

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Exhibit Index

| <u>Exhibit No.</u> | <u>Description</u> |
|---------------------------|--------------------------------------|
| 99.1 | Press Release dated January 29, 2008 |