
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

June 25, 2019

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.)

10260 Bubb Road
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)

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:

<input type="checkbox"/>	Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
<input type="checkbox"/>	Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock \$0.0001 value per share	DRRX	The NASDAQ Stock Market LLC (The Nasdaq Global Market)
Preferred Share Purchase Rights		

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On June 25, 2019, DURECT Corporation (the “Company”) received approval from the Listing Qualifications Department of The Nasdaq Stock Market (“Nasdaq”) to transfer the listing of the Company’s common stock from the Nasdaq Global Market to the Nasdaq Capital Market (the “Approval”).

As previously reported on a Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”) on December 28, 2018, the Company received a letter (the “Notice”) from Nasdaq on December 24, 2018 advising the Company that for 30 consecutive trading days preceding the date of the Notice, the bid price of the Company’s common stock had closed below the \$1.00 per share minimum required for continued listing on the Nasdaq Global Market under Nasdaq Listing Rule 5450(a)(1) (the “Minimum Bid Price Requirement”). The Notice stated that the Company had 180 days, or until June 24, 2019, to demonstrate its compliance with the Minimum Bid Price Requirement. In response, on June 7, 2019, the Company filed an application to transfer the listing of its common stock from the Nasdaq Global Market to the Nasdaq Capital Market.

As a result of the Approval, the Company has been granted an additional 180-day grace period, or until December 23, 2019, to regain compliance with the Minimum Bid Price Requirement. The Company’s common stock will be transferred to the Nasdaq Capital Market effective as of June 27, 2019, and will continue to trade under the symbol “DRRX.” The Nasdaq Capital Market operates in substantially the same manner as the Nasdaq Global Market, but with less stringent listing requirements although listed companies must meet certain financial requirements and comply with Nasdaq’s corporate governance requirements.

To regain compliance with the Minimum Bid Price Requirement and qualify for continued listing on the Nasdaq Capital Market, the minimum bid price per share of the Company’s common stock must be at least \$1.00 for at least ten consecutive business days during the additional 180-day grace period. If the Company does not regain compliance during this additional grace period, its common stock would be subject to delisting by Nasdaq. As part of its transfer application, the Company notified Nasdaq that if the stock price does not recover sufficiently during the additional grace period, it would implement a reverse stock split, if necessary.

On June 25, 2019, the Company issued a press release announcing its receipt of the Approval. A copy of the press release is attached as Exhibit 99.1 and is incorporated herein by reference.

Forward-Looking Statements

This report contains “forward-looking statements,” within the meaning of the Private Securities Litigation Reform Act of 1995, regarding, among other things, the Company’s plans to regain compliance with the Minimum Bid Price Requirement and qualify for continued listing on the Nasdaq Capital Market, and the potential implementation of a reverse stock split. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change them, and could cause actual results to differ materially from those projected in the forward-looking statements. Meaningful factors that could cause actual results to differ include, but are not limited to, the continued failure of the Company’s common stock to trade at prices above \$1.00 per share, the risk of being delisted from the Nasdaq Capital Market, changes to Nasdaq’s listing standards and other factors discussed in the “Risk Factors” section of the Company’s Form 10-Q for the three months ended March 31, 2019, filed with the SEC on May 7, 2019 and the Company’s other filings with the SEC.

The forward-looking statements in this report speak only as of the date of this report (unless another date is indicated). The Company undertakes no obligation, and specifically declines any obligation, to publicly update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01. Exhibits

Exhibit No.	Description
99.1	Press Release dated June 25, 2019

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: June 25, 2019

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

DURECT Receives Approval from Nasdaq for Transfer of Listing to Nasdaq Capital Market

CUPERTINO, Calif., June 25, 2019 /PRNewswire/ -- DURECT Corporation (Nasdaq: DRRX) today announced that it received approval from the Listing Qualifications Department of The Nasdaq Stock Market (“Nasdaq”) to transfer the listing of the Company’s common stock from the Nasdaq Global Market to the Nasdaq Capital Market, effective June 27, 2019. The Company has also been granted an additional 180-day grace period, or until December 23, 2019, to regain compliance with Nasdaq’s minimum bid price requirement (the “Minimum Bid Price Requirement”). The Nasdaq Capital Market operates in substantially the same manner as the Nasdaq Global Market, and listed companies must meet certain financial requirements and comply with Nasdaq’s corporate governance requirements. The Company’s common stock will continue to trade under the symbol “DRRX.”

To regain compliance with the Minimum Bid Price Requirement and qualify for continued listing on the Nasdaq Capital Market, the minimum bid price per share of the Company’s common stock must be at least \$1.00 for at least ten consecutive business days during the additional 180-day grace period. If the Company does not regain compliance during this additional grace period, its common stock would be subject to delisting by Nasdaq. As part of its transfer application, the Company notified Nasdaq that if the stock price does not recover sufficiently during the additional grace period, it would implement a reverse stock split, if necessary.

About DURECT Corporation

DURECT is a biopharmaceutical company actively developing therapeutics based on its Epigenetic Regulator Program and proprietary drug delivery platforms. DUR-928, a new chemical entity in Phase 2 development, is the lead candidate in DURECT’s Epigenetic Regulator Program. An endogenous, orally bioavailable small molecule, DUR-928 has been shown in preclinical studies to play an important regulatory role in lipid homeostasis, inflammation, and cell survival. Human applications may include acute organ injury such as alcoholic Hepatitis (AH) and acute kidney injury (AKI), chronic hepatic diseases such as nonalcoholic steatohepatitis (NASH), and inflammatory skin conditions such as psoriasis and atopic dermatitis. DURECT’s advanced oral and injectable delivery technologies are designed to enable new indications and enhanced attributes for small-molecule and biologic drugs. Late stage product candidates in this category include POSIMIR® (bupivacaine extended-release solution), an investigational locally-acting, non-opioid analgesic intended to provide up to 3 days of continuous pain relief after surgery, and ORADUR™-Methylphenidate ER Capsules, approved in Taiwan as Methydur Sustained Release Capsules, where it is indicated for the treatment of attention deficit hyperactivity disorder (ADHD). In addition, for the assignment of certain patent rights, DURECT receives single digit sales-based earn-out payments from U.S. net sales of Indivior’s PERSERIS™ (risperidone) drug for schizophrenia, which was commercially launched in February 2019. For more information about DURECT, please visit www.durect.com.

DURECT Forward-Looking Statement

The statements in this press release regarding future events and expectations, including without limitation, the ability to regain compliance with the Minimum Bid Price Requirement and qualify for continued listing on the Nasdaq Capital Market, the potential implementation of a reverse stock split, the potential use of DUR-928 to treat chronic hepatic diseases such as NASH, acute organ injuries such as AH and AKI, and inflammatory skin disorders such as psoriasis and atopic dermatitis, the potential regulatory approval of POSIMIR by the FDA and the potential uses and benefits of POSIMIR, as well as the use of POSIMIR to treat post-surgical pain, the use of Indivior's PERSERIS to treat schizophrenia, as well as the potential commercial sales of Indivior's PERSERIS, are forward-looking statements involving risks and uncertainties that can cause actual results to differ materially from those in such forward-looking statements. Potential risks and uncertainties include, but are not limited to, the continued failure of the Company's common stock to trade at prices above \$1.00 per share, the risk of being delisted from the Nasdaq Capital Market, changes to Nasdaq's continued listing standards, delays in the enrollment of the ongoing clinical trials of DUR-928 in NASH, AH and psoriasis, potential adverse effects arising from the testing or use of DUR-928, the risk that the FDA may not approve the POSIMIR NDA, the risk that PERSERIS will not have a successful commercial launch, our ability to avoid infringing patents held by other parties and secure and defend patents of our own patents, and our ability to manage and obtain capital to fund our operations and expenses. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in DURECT's Form 10-Q for the three months ended March 31, 2019 filed on May 7, 2019 under the heading "Risk Factors" and DURECT's other filings with the U.S. Securities and Exchange Commission.

NOTE: ORADUR™, POSIMIR® and SABER® are trademarks of DURECT Corporation. Other referenced trademarks belong to their respective owners. DUR-928, ORADUR-Methylphenidate ER Capsules and POSIMIR are drug candidates under development and have not been approved for commercialization by the U.S. Food and Drug Administration or other health authorities. Full prescribing information for PERSERIS, including BOXED WARNING, and Medication Guide can be found at www.perseris.com.

CONTACT: Mike Arenberg, Chief Financial Officer, DURECT, 408-346-1052