

Recro Pharma, Inc.
Form 8-K
April 05, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): April 3, 2019

Recro Pharma, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania (State or other jurisdiction	001-36329 (Commission	26-1523233 (I.R.S. Employer
of incorporation or organization)	File Number)	Identification No.)
490 Lapp Road, Malvern, Pennsylvania		19355

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (484) 395-2470

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 (see General Instruction A.2. below):

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))

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 2.05 Costs Associated with Exit or Disposal Activities

On April 3, 2019, Recro Pharma, Inc. (the Company) implemented a strategic restructuring initiative, and corresponding reduction in workforce, aimed at reducing operating expenses, while maintaining key personnel needed to select a partner and obtain U.S. Food and Drug Administration (FDA) approval of intravenous (IV) meloxicam. The Company is taking this action following its receipt of a Complete Response Letter from the FDA regarding the Company's New Drug Application for IV meloxicam. The restructuring initiative includes a reduction of a majority of the Company's Acute Care Segment workforce by approximately 50 positions. The Company estimates that it will incur approximately \$4.0 million of costs in connection with the reduction in workforce related to severance pay and other related termination benefits. The Company communicated the workforce reduction on April 3, 2019 and expects the majority of the costs to be incurred during the quarter ending June 30, 2019.

Item 8.01 Other Events.

On April 3, 2019, the Company issued a press release announcing the restructuring initiative and revised CDMO revenue, operating income and EBITDA, as adjusted, guidance for 2019. The full text of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

This Current Report on Form 8-K contains forward-looking statements, including, without limitation, statements related to the estimated cash expenditures associated with one-time termination benefits and the expected timing for completion of the restructuring initiative. Any statements contained in this Current Report on Form 8-K that are not statements of historical fact may be deemed to be forward-looking statements. These forward-looking statements are based upon the Company's current expectations. Forward-looking statements involve risks and uncertainties. The Company's actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks related to the Company's ability to implement the restructuring initiative as currently anticipated, the impact of the workforce reduction on the Company's business and unanticipated charges not currently contemplated that may occur as a result of the restructuring initiative. The Company's Annual Report on Form 10-K, filed with the SEC on February 19, 2019, contains under the heading, "Risk Factors," a more comprehensive description of risks to which the Company is subject. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No.	Description
99.1	<u>Press release of Recro Pharma, Inc., dated April 3, 2019.</u>

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, thereunto duly authorized.

Recro Pharma, Inc.

By: /s/ Gerri A. Henwood
Name: Gerri A. Henwood
Title: Chief Executive Officer

Date: April 5, 2019