

IGI LABORATORIES, INC
Form 8-K
February 07, 2013

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): February 1, 2013

IGI LABORATORIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-08568
(Commission File Number)

01-0355758
(IRS Employer Identification No.)

105 Lincoln Avenue
Buena, New Jersey
(Address of principal executive offices)

08310
(Zip Code)

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))

Item 1.01

Entry into a Material Definitive Agreement.

On February 1, 2013, IGI Laboratories, Inc., a Delaware corporation (the *Company*), entered into an Asset Purchase Agreement (the *Purchase Agreement*) with Prasco, LLC, an Ohio limited liability company (*Prasco*) pursuant to which the Company purchased from Prasco assets associated with Econazole Nitrate Cream 1% (the *Product*). Econazole Nitrate Cream 1% which is available in 15g, 30g, and 85g tubes has United States Food and Drug Administration approved indications for the treatment of tinea pedis, tinea cruris, and tinea corporis as well as the treatment of cutaneous candidiasis and tinea versicolor.

In consideration for the purchase of the assets pursuant to the Purchase Agreement, the Company paid Prasco \$1.4 million in cash and will be required to pay an additional aggregate of \$400,000 upon the occurrence of certain milestone events (the *Milestone Payment*). The Milestone Payment is secured by a first-priority security interest in the acquired assets under the Purchase Agreement.

Under and subject to the terms and conditions of the Purchase Agreement, Prasco will continue to distribute the Product during a six-month period following the closing of the Purchase Agreement or for a shorter period if the Company has completed the technical transfer of the Product and begun manufacturing the Product under its own label.

In addition, the Purchase Agreement contains certain non-compete restrictions preventing Prasco from selling the Product in United States for a period of seven years.

The Company intends to file the Purchase Agreement as exhibit to its annual report on Form 10-K for the year ending December 31, 2012 and plans to seek confidential treatment of certain terms in the Purchase Agreement at such time. In connection with the acquisition, the Company issued a press release, dated February 4, 2013. A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01

Financial Statements and Exhibits.

(d)

Exhibits

Exhibit No.

Description

99.1

Press Release of IGI Laboratories, Inc. dated February 4, 2013

SIGNATURE

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.

IGI LABORATORIES, INC.

Date: February 7, 2013

By: /s/ Jennifer Collins

Name:

Jennifer Collins

Title:

Chief Financial Officer