

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 3, 2008

Date of Report (Date of earliest event reported)

Discovery Laboratories, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

000-26422

(Commission File Number)

94-3171943

(IRS Employer
Identification Number)

**2600 Kelly Road, Suite 100
Warrington, Pennsylvania 18976**
(Address of principal executive offices)

(215) 488-9300

(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:

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

Effective January 4, 2008, John G. Cooper will assume the role of Principal Accounting Officer to Discovery Laboratories, Inc. (the "Company"), replacing Kathleen A. McGowan, Director, Finance and Controller, who resigned as Principal Accounting Officer as of January 3, 2008 and is leaving the Company.

On January 3, 2008, the Company and each of Robert J. Capetola, President and Chief Executive Officer, John G. Cooper, Executive Vice President, Chief Financial Officer and Treasurer, and David L. Lopez, Esq., CPA, Executive Vice President, General Counsel, Chief Compliance Officer and Secretary, entered into an Amendment (collectively, the "Amendments") to their respective Amended and Restated Employment Agreements dated as of May 4, 2006 (the "Agreements").

Under each of the Amendments, (a) the term of the Agreement is extended until May 3, 2010, subject to automatic one-year extensions as provided in the Amendments, and (b) in connection with a change of control, all shares of stock and options held by the executive shall accelerate and become fully vested and all restrictions related thereto shall be lifted effective on the date of the change of control. In addition, under the Amendments to the Agreements of Messrs. Cooper and Lopez, (i) in the event of a termination of employment in connection with a change of control, a lump sum payment provided in the Agreements shall be increased from a multiple of two to a multiple of two and one half times the sum of the executive's base salary and bonus, and (ii) in the event of a termination of employment by the Company without cause or by the executive for good reason, a lump sum payment provided in the Agreements is increased from a multiple of one to a multiple of one and one half times the sum of the executive's base salary and bonus.

The description of the terms and conditions of the Amendments and the Agreements and the rights and obligations of the Company and executives in connection therewith are qualified by reference in their entirety to the definitive terms and conditions of the Amendments, the form of which is attached hereto as Exhibits 10.1 through 10.3, and the Agreements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 10.1. Amendment to the Amended and Restated Employment Agreement dated as of May 4, 2006 between Robert J. Capetola and Discovery Laboratories, Inc.
 - 10.2. Amendment to the Amended and Restated Employment Agreement dated as of May 4, 2006 between David L. Lopez and Discovery Laboratories, Inc.
 - 10.3. Amendment to the Amended and Restated Employment Agreement dated as of May 4, 2006 between John G. Cooper and Discovery Laboratories, Inc.
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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.

Discovery Laboratories, Inc.

By: /s/ Robert J. Capetola

Robert J. Capetola, Ph.D.
President and Chief Executive Officer

Date: January 3, 2008

January 3, 2008

Robert J. Capetola, Ph.D.
c/o Discovery Laboratories, Inc.
2600 Kelly Road
Suite 100
Warrington, PA 18976

Re: Amendment to Employment Agreement

Dear Dr. Capetola,

This amendment is attached to and made part of the Amended and Restated Employment Agreement dated as of May 4, 2006 between you and Discovery Laboratories, Inc. (as it may have been previously amended, the "Agreement"). Effective as of the date hereof the parties hereby agree that certain provisions of the Agreement are revised as set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms as set forth in the Agreement.

1. Section 2 of the Agreement is hereby amended to provide (i) that the Term of the Agreement shall continue through May 3, 2010, and (ii) that, commencing on May 4, 2010, and on each May 4th thereafter, the Term of the Agreement shall automatically be extended for one additional year, except in the event of notice as provided for therein.

2. The second sentence of Section 2 of the Agreement is hereby amended and restated in its entirety to read as follows:

"Upon the occurrence of a Change of Control during the Term of this Agreement, including any extensions thereof, this Agreement shall automatically be extended until the end of the Effective Period if the end of the Effective Period is after the then current expiration date of the Term."

3. The first sentence of Section 6(b) of the Agreement is hereby amended and restated in its entirety to read as follows:

"Notwithstanding any provision to the contrary in any Company equity or other incentive plan or any stock option or restricted stock agreement between the Company and the Executive, all shares of stock and all options to acquire Company stock held by the Executive shall accelerate and become fully vested and, with respect to restricted stock, all restrictions shall be lifted, upon the Change of Control Date."

Except as amended herein, the remaining terms and conditions of the Agreement shall remain in full force and effect. This addendum confirms an agreement between you and the Company with respect to the subject matter hereof and is a material part of the consideration stated in the Agreement and mutual promises made in connection therewith. Please indicate your acceptance of the terms contained herein by signing both copies of this amendment, retaining one copy for your records, and forwarding the remaining copy to the Company.

DISCOVERY LABORATORIES, INC.

By: _____

Name: David L. Lopez

Title: Executive Vice President and General Counsel

Accepted and Agreed to:

Name: Robert J. Capetola, Ph.D.

January 3, 2008

David L. Lopez
c/o Discovery Laboratories, Inc.
2600 Kelly Road
Suite 100
Warrington, PA 18976

Re: Amendment to Employment Agreement

Dear Mr. Lopez,

This amendment is attached to and made part of the Amended and Restated Employment Agreement dated as of May 4, 2006 between you and Discovery Laboratories, Inc. (as it may have been previously amended, the "Agreement"). Effective as of the date hereof the parties hereby agree that certain provisions of the Agreement are revised as set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms as set forth in the Agreement.

1. Section 2 of the Agreement is hereby amended to provide (i) that the Term of the Agreement shall continue through May 3, 2010, and (ii) that, commencing on May 4, 2010, and on each May 4th thereafter, the Term of the Agreement shall automatically be extended for one additional year, except in the event of notice as provided for therein."

2. The first sentence of Section 6(b) of the Agreement is hereby amended and restated in its entirety to read as follows:

"Notwithstanding any provision to the contrary in any Company equity or other incentive plan or any stock option or restricted stock agreement between the Company and the Executive, all shares of stock and all options to acquire Company stock held by the Executive shall accelerate and become fully vested and, with respect to restricted stock, all restrictions shall be lifted, upon the Change of Control Date."

3. Section 7(b)(iii) of the Agreement is hereby amended and restated in its entirety to read as follows:

"Within 10 days after the Date of Termination, a lump sum cash payment in an amount equal to the product of one and one-half (1.5) times the sum of (A) the Executive's Base Salary then in effect (determined without regard to any reduction in such Base Salary constituting Good Reason) and (B) the Highest Annual Bonus;"

4. Section 7(c)(iii) of the Agreement is hereby amended and restated in its entirety to read as follows:

“Within 10 days after the Date of Termination, a lump sum cash payment in an amount equal to the product of two and one-half (2.5) times the sum of (A) the Executive’s Base Salary then in effect (determined without regard to any reduction in such Base Salary constituting Good Reason) and (B) the Highest Annual Bonus;”

Except as amended herein, the remaining terms and conditions of the Agreement shall remain in full force and effect. This addendum confirms an agreement between you and the Company with respect to the subject matter hereof and is a material part of the consideration stated in the Agreement and mutual promises made in connection therewith. Please indicate your acceptance of the terms contained herein by signing both copies of this amendment, retaining one copy for your records, and forwarding the remaining copy to the Company.

DISCOVERY LABORATORIES, INC.

By: _____

Name: Robert J. Capetola, Ph.D.

Title: President and CEO

Accepted and Agreed to:

Name: David L. Lopez

January 3, 2008

John G. Cooper
c/o Discovery Laboratories, Inc.
2600 Kelly Road
Suite 100
Warrington, PA 18976

Re: Amendment to Employment Agreement

Dear Mr. Cooper,

This amendment is attached to and made part of the Amended and Restated Employment Agreement dated as of May 4, 2006 between you and Discovery Laboratories, Inc. (as it may have been previously amended, the "Agreement"). Effective as of the date hereof the parties hereby agree that certain provisions of the Agreement are revised as set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms as set forth in the Agreement.

1. Section 2 of the Agreement is hereby amended to provide (i) that the Term of the Agreement shall continue through May 3, 2010, and (ii) that, commencing on May 4, 2010, and on each May 4th thereafter, the Term of the Agreement shall automatically be extended for one additional year, except in the event of notice as provided for therein.

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Except as amended herein, the remaining terms and conditions of the Agreement shall remain in full force and effect. This addendum confirms an agreement between you and the Company with respect to the subject matter hereof and is a material part of the consideration stated in the Agreement and mutual promises made in connection therewith. Please indicate your acceptance of the terms contained herein by signing both copies of this amendment, retaining one copy for your records, and forwarding the remaining copy to the Company.

DISCOVERY LABORATORIES, INC.

By: _____

Name: Robert J. Capetola, Ph.D.

Title: President and Chief Executive Officer

Accepted and Agreed to:

Name: John G. Cooper
