

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) March 8, 2000

Discovery Laboratories, Inc.

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(Exact Name of Registrant as Specified in its Charter)

Delaware	000-26422	94-3171943
----- (State or Other Jurisdiction of incorporation)	----- (Commission File Number)	----- (I.R.S. Employer Identification No.)

350 Main Street, Suite 307, Doylestown, Pennsylvania 18901

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(Address of Principal Executive Offices (Zip Code)

(Registrant's Telephone Number, Including Area Code) (215) 340-4699

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(Former Name or Former Address, If Changed Since Last Report.)

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ITEM 5. Other Events.

On March 8, 2000, Registrant issued a press release to announce that it has received a conversion notice from Johnson & Johnson to convert the 2,039 shares of Series C Convertible Preferred Stock owned by it into 398,186 shares of Common Stock.

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits.

ExhibitDescription

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99.1 Press Release, dated March 8, 2000.

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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, Ph.D.

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

Date: March 19, 2000

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Johnson & Johnson Elects to Increase Ownership Stake in Discovery Through Conversion of Series C Preferred Stock

DOYLESTOWN, Pa.--(BW HealthWire)--March 8, 2000--Discovery Laboratories, Inc. (NASDAQ Small Cap: DSCO, DSCOU) announced today that it has received a conversion notice from the licensor of its Surfaxin(R) technology, Johnson & Johnson (J&J). J&J was the exclusive owner of the Discovery Series C Preferred Stock.

"We are extremely pleased that J&J has elected to increase its ownership stake in Discovery," said Robert J. Capetola, Ph.D., CEO of Discovery and himself a 17-year veteran of J&J. "We take this as a vote of confidence in Surfaxin(R) as well as Discovery Laboratories," added Capetola. Following the conversion of the Series C Preferred Stock, Discovery has no more Preferred Stock in its capital structure, nor any debt.

Discovery is a bio-pharmaceutical company whose mission is to develop and commercialize medically novel therapeutics for critical care. Presently, Discovery is developing Surfaxin(R) to treat respiratory distress syndrome (RDS) in premature infants, meconium aspiration syndrome (MAS) in full term babies and direct acute respiratory distress syndrome (ARDS). Surfaxin(R) is currently the subject of a pivotal Phase 3 trial in MAS. Discovery is also developing SuperVent(TM) to treat cystic fibrosis (CF). Discovery has recently completed enrollment in a Phase 2 trial of SuperVent(TM) in CF and expects to announce results soon. More information about Discovery is available on the company's web site at: [www.discoverylabs.com](http://www.discoverylabs.com)

To the extent that statements in this press release are not strictly historical, including statements as to future financial conditions, events conditioned on stockholder or other approval, or otherwise as to future events, such statements are forward-looking, and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. The forward-looking statements contained in this release are subject to certain risks and uncertainties that could cause actual results to differ materially from the statements made. Among the factors which could affect the company's actual results and could cause results to differ from those contained in the forward-looking statements contained herein are the risk that financial conditions may change, risks relating to the progress of the company's research and development and the development of competing therapies and/or technologies by other companies. Those associated risks and others are further described in the company's filings with the Securities and Exchange Commission.