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

February 2, 2012

Date of Report (Date of earliest event reported)

Discovery Laboratories, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**000-26422**	**94-3171943**
(State or other jurisdiction of incorporation)	(Commission File Number)	(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:

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- o 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 8, 2012, Discovery Laboratories, Inc., a Delaware corporation (the "Company"), issued a press release announcing that on February 2, 2012 it entered into a Product Development and Supply Agreement ("Agreement") effective as of February 1, 2012 (the "Effective Date"), with Lacey Manufacturing Company, a unit of Precision Engineered Products, LLC ("Lacey"). Pursuant to the Agreement, Lacey will manufacture the Company's AFECTAIR® and AFECTAIR® DUO medical devices (each, an "AFECTAIR Device"). AFECTAIR Devices are the Company's proprietary ventilator circuit / patient interface connectors and related componentry that introduce inhaled therapies directly to the patient interface and minimize the number of connections in the regulatory circuit without compromising ventilatory support. AFECTAIR was recently cleared for commercialization in the United States, and the Company anticipates that AFECTAIR will be commercially available in late 2012. The initial AFECTAIR product will be designed for use with jet nebulizers, and a subsequent product, AFECTAIR DUO, will be designed for use with vibrating mesh nebulizers, metered dose inhalers and potentially other aerosol generator technologies. Each product is expected to be available in two sizes, one for infants and one for pediatric and adult patients.

The initial term of the Agreement is three years from the date of the first production purchase order for manufacture of commercially saleable AFECTAIR Devices, or four years from the Effective Date, whichever is shorter (the "Term"). The Term may be extended by written agreement of the parties. Among other rights to terminate the Agreement, either party may terminate the Agreement upon 30 days written notice to the other party if the parties, after a good faith effort, are unable to agree on (i) go-forward planning steps to complete development of one or both AFECTAIR Devices, or (ii) key terms, including, without limitation, pricing or order volume requirements.

The Company will retain ownership of all equipment, molds and tooling and other capital assets purchased by Lacey to manufacture AFECTAIR Devices on behalf of the Company. In connection with any termination of the Agreement, Lacey is obligated to cooperate and provide reasonable assistance to the Company to transfer all equipment, inventory and materials to any successor manufacturing site or to such other location that the Company may designate in writing.

The foregoing summary is qualified in its entirety by reference to the text of the Agreement to be included as an Exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

Item 8.01 Other Events.

On February 8, 2012, the Company issued a press release announcing that the Company entered into the Agreement. A copy of the release is attached hereto as Exhibit 99.1

Item 9.01 Financial Statements and Exhibits.

99.1 Press Release dated February 8, 2012.

Cautionary Note Regarding Forward-looking Statements:

To the extent that statements in this Current Report on Form 8-K are not strictly historical, including statements as to business strategy, outlook, objectives, future milestones, plans, intentions, goals, future financial conditions, future collaboration agreements, the success of the Company's product development or otherwise as to future events, such statements are forward-looking, and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained in this Current Report are subject to certain risks and uncertainties that could cause actual results to differ materially from the statements made. Such risks and others are further described in the Company's filings with the Securities and Exchange Commission including the most recent reports on Forms 10-K, 10-Q and 8-K, and any amendments thereto.

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/ W. Thomas Amick
Name: W. Thomas Amick
Title: Chairman of the Board and Chief Executive Officer

Date: February 8, 2012

EXHIBIT 99.1

DISCOVERY LABS SIGNS MANUFACTURING AGREEMENT FOR AFECTAIR®

Company Makes Progress Towards Commercial Introduction of AFECTAIR

Warrington, PA — February 8, 2012— Discovery Laboratories, Inc. (NASDAQ: DSCO), a specialty biotechnology company dedicated to advancing a new standard in respiratory critical care, today announced that it has entered into a definitive agreement with Lacey Manufacturing, a unit of Precision Engineered Products, LLC to manufacture and supply product for the commercial introduction of AFECTAIR®. AFECTAIR was recently cleared for commercialization in the United States and Discovery Labs anticipates that AFECTAIR will be commercially available in late 2012.

"This manufacturing and supply agreement with Lacey is an important operational milestone that takes us one step closer to the commercial introduction of AFECTAIR later this year," said Thomas F. Miller, Senior Vice President and Chief Operating Officer of Discovery Labs. "We believe Lacey is the right manufacturing partner for Discovery Labs as they have substantial experience with medical device injection molding and a proven track record of achieving program objectives with industry-leading medical technology companies."

AFECTAIR is a series of proprietary ventilator circuit/patient interface connectors and related componentry that simplifies the delivery of inhaled therapies to critical care patients requiring ventilatory support and may provide healthcare professionals with an alternative to current practices. It is estimated that, in its peak year of sales in the U.S. and the European Union, AFECTAIR could represent an annual revenue opportunity of approximately $50-75 million for Discovery Labs.

Discovery Labs is pursuing a European Conformity (CE) marking for commercialization of the initial AFECTAIR products in the European Union (EU) and believes that it may also be in a position to introduce initial AFECTAIR product in the EU in late 2012.

ABOUT AFECTAIR

AFECTAIR was developed initially as part of the AEROSURF® development program and is a series of proprietary disposable ventilator circuit/patient interface connectors that simplify the delivery of aerosolized medications to critical-care patients requiring ventilatory support. According to national health statistics and market assessment data, it is estimated that each year more than 1.3 million patients in the United States and European Union receive aerosolized medications while requiring ventilator support. Discovery Labs is implementing a business plan that potentially will allow for the commercial introduction of AFECTAIR in the United States and the European Union in late 2012.

ABOUT AEROSURF
AEROSURF (lucinactant for inhalation), Discovery Labs' initial aerosolized KL_4 surfactant product, is under development for the prevention of RDS in premature infants. Through effective delivery of aerosolized KL_4 surfactant using Discovery Labs' proprietary capillary aerosol generator technology and related ventilator circuit / patient interface connectors, AEROSURF may significantly expand the surfactant-eligible treatment population by providing neonatologists with a means of administering surfactant without the risks of invasive endotracheal intubation and mechanical ventilation currently associated with surfactant administration.

ABOUT LACEY MANUFACTURING
Lacey Manufacturing, a unit of Precision Engineered Products ("PEP"), LLC is a full service vertically integrated FDA, ISO 13485/2003, 9001/2008 Certified Medical Contract Manufacturer of finished devices, subassemblies and precision components. Backed by more than 90 years of experience, Lacey provides quality, comprehensive turnkey-manufacturing services for the Medical device, commercial, and bearing markets. For more information please, visit Lacey's and PEP's websites at www.peplacey.com and www.pep-corp.com.

ABOUT DISCOVERY LABS
Discovery Laboratories, Inc. is a specialty biotechnology company with one focus – to create life-saving products for critical care patients with respiratory disease and improve the standard of care for pulmonary medicine. Discovery Labs' novel proprietary KL4 surfactant technology produces a synthetic, peptide- containing surfactant that is structurally similar to pulmonary surfactant and is being developed in liquid, lyophilized and aerosolized formulations. Discovery Labs is also developing its proprietary drug delivery technologies to enable efficient, targeted upper-respiratory or alveolar delivery of aerosolized KL4 surfactant and other inhaled therapies. Discovery Labs believes that its proprietary technologies make it possible, for the first time, to develop a significant pipeline of products to address a variety of respiratory diseases for which there frequently are few or no approved therapies. For more information, please visit our website at www.discoverylabs.com.

Forward-Looking Statements
To the extent that statements in this press release are not strictly historical, all such statements are forward-looking, and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the statements made. Examples of such risks and uncertainties, including those related to the development, registration, manufacture and commercial introduction of AFECTAIR, are described in Discovery Labs' filings with the Securities and Exchange Commission, including the most recent reports on Forms 10-K, 10-Q and 8-K, and any amendments thereto. Any forward-looking statement in this release speaks only as of the date on which it is made. Discovery Labs assumes no obligation to update or revise any forward-looking statements.

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