

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 7, 2019**

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**AVID BIOSERVICES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State of other jurisdiction  
of incorporation)

**001-32839**  
(Commission File Number)

**95-3698422**  
(IRS Employer  
Identification No.)

**2642 Michelle Drive, Suite 200, Tustin, California 92780**  
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(714) 508-6100**

(Former name or former address, if changed since last report)

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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))

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.

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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.**

On May 8, 2019, Avid Bioservices, Inc. (the “Company”) announced that the Company’s Board of Directors appointed Richard B. Hancock as the Company’s interim President and Chief Executive Officer effective immediately. Mr. Hancock, age 60, has served as a director of the Company since November 2017. Mr. Hancock has worked in the biologic contract development and manufacturing organization (“CDMO”) industry for over 30 years in various operational and executive roles, serving most recently as President and CEO of Althea Technologies, Inc., a large molecule CDMO producing a wide range of biologics, vaccines and parenteral products. In addition to Althea, Mr. Hancock has held senior management positions at The Immune Response Corporation, and Hybritech Inc. (now part of Eli Lilly & Company), and he is currently the Chairman of the Board and Executive Director of Argonaut Manufacturing Services, Inc., a privately-owned CDMO focused on the biotechnology and life sciences industries. Mr. Hancock received a B.A. in Microbiology from Miami University. The Board of Directors concluded that Mr. Hancock should serve as a director in light of his extensive operational and executive management experience in the CDMO industry.

Upon recommendation and approval by the Compensation Committee of the Company’s Board of Directors, the Company is providing Mr. Hancock the following compensation: (i) a base salary of \$40,333.33 per month; (ii) eligibility to receive a cash bonus based upon the Company’s achievement of certain corporate goals to be approved by the Board of Directors for fiscal year 2020 at a target level of sixty percent (60%) of his annualized base salary, prorated for the partial year; and (iii) eligibility to participate in all benefits programs generally provided by the Company to its other executive officers. In addition, Mr. Hancock was granted a stock option to purchase 46,540 shares of the Company’s common stock at an exercise price of \$4.53 per share, the closing price on May 7, 2019, and awarded a restricted stock unit (“RSU”) for 19,950 shares. Each of the stock option and RSU vest in equal annual installments over a period of four years from the date of grant.

Mr. Hancock replaces Roger J. Lias, Ph.D., who resigned as the Company’s President and Chief Executive Officer on May 7, 2019. On the same day, Dr. Lias also resigned as a director of the Company. Dr. Lias did not resign from his position as a director as a result of any disagreement with the Company on any matter relating to the Company’s operations, policies or practices.

**Item 8.01 Other Events.**

On May 8, 2019, the Company issued a press release announcing the appointment of Richard B. Hancock, as the interim President and Chief Executive Officer of the Company. A copy of the press release is attached 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. The following material is filed as an exhibit to this Current Report on Form 8-K:

**Exhibit  
Number**

99.1 [Press Release issued May 8, 2019.](#)

**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.

AVID BIOSERVICES, INC.

Date: May 8, 2019

By: /s/ Daniel R. Hart  
Daniel R. Hart

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press Release issued May 8, 2019.</a>



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**Avid Bioservices Names Richard B. Hancock as Interim President and Chief Executive Officer**

*Industry Veteran with Over 30 Years of Operational and Executive Experience Succeeds Roger J. Lias, Ph.D.*

**TUSTIN, CA, May 8, 2019** -- Avid Bioservices, Inc. (NASDAQ:CDMO) (NASDAQ:CDMOP), a dedicated biologics contract development and manufacturing organization (CDMO) working to improve patient lives by providing high quality development and manufacturing services to biotechnology and pharmaceutical companies, today announced that Richard (Rick) B. Hancock has been named interim president and chief executive officer, effective immediately. Mr. Hancock will also continue to serve on Avid's board of directors. He succeeds Roger J. Lias, Ph.D., who has resigned from the company and its board of directors. In the meantime, the company is commencing a search for a permanent chief executive officer.

Mr. Hancock has worked in the biotechnology industry for more than 30 years in various operational and executive roles and possesses significant experience in cGMP manufacturing, regulatory affairs, scale up, operational protocols and team management. Throughout his career, he is credited with building teams and companies dedicated to bringing innovative biologics including therapeutics and vaccines to patient populations through innovative process development, production and manufacturing services. Mr. Hancock has established a proven track record of delivering exceptional results for customers, patients and related stakeholders through a focus on innovation and quality.

Joseph Carleone, Ph.D., chairman of the Avid board of directors, said, "We would like to thank Roger for his key contributions to the continued successful evolution of Avid. Under his leadership, Avid completed its transition to dedicated CDMO and began the process of growing revenue while building a more diversified client portfolio. Roger is a talented and highly regarded CDMO executive and we wish him the best in all of his future endeavors."

"I am proud of my tenure leading the Avid team and the key accomplishments that the company achieved during that time," said Dr. Lias. "It is gratifying to see the progress we made in turning Avid into a dedicated biologic CDMO capable of capturing the attention of global leaders in biologics development. I look forward to watching the continuation of the momentum that we established at Avid."

Mr. Carleone added, "Avid's board is happy to welcome Rick as interim president and CEO. He is a highly respected industry executive whose career has been marked by operational and executive leadership of various successful life science companies spanning contract manufacturing and drug development. In particular, his track record of successfully driving significant business growth at Althea Technologies, a widely regarded CDMO, positions him as an excellent addition to the Avid management team at this critical time in the company's evolution. As a current member of the Avid board, Rick is finely in tune with Avid operations and well positioned to seamlessly transition into his role as interim president and CEO. The board and I look forward to collaborating with Rick in his new role as we all work to optimize business performance and maximize shareholder value."

"Based on its cutting-edge process development and cGMP manufacturing capabilities, as well as its more than 25 years of biologics manufacturing experience, Avid is uniquely positioned to serve the needs of customers of all type and size within the biologics CDMO space," said Mr. Hancock. "I am excited to join the management team and work closely with the board to recognize the significant operational potential of the Avid business through sustained revenue growth and strategic customer base diversification."

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Mr. Hancock most recently served as president and CEO of Althea Technologies, Inc., a large molecule CDMO producing a wide range of biologics, vaccines and parenteral products, until the company's acquisition by Ajinomoto Co., Inc. During his time with Althea, which spanned more than 15 years and included additional senior level positions, he was responsible for establishing the company's contract manufacturing services and growing the business to a profitable, global CDMO with greater than \$50M in annual revenue. In addition to Althea, Mr. Hancock has held senior positions at therapeutics development companies The Immune Response Corporation, Genetics Institute (currently a division of Pfizer) and Hybritech Inc. (currently part of Eli Lilly & Company). In these roles, he was involved in process development, purification and production activities supporting the development of novel therapeutics in a range of indications including autoimmune diseases and bleeding and metabolic disorders. Mr. Hancock currently serves as the chairman of the board and executive director of Argonaut Manufacturing Services, Inc., a CDMO focused on the biotechnology and life sciences industries. He received a bachelor's degree in microbiology from Miami University.

**About Avid Bioservices, Inc.**

Avid Bioservices is a dedicated contract development and manufacturing organization (CDMO) focused on development and cGMP manufacturing of biopharmaceutical products derived from mammalian cell culture. The company provides a comprehensive range of process development, high quality cGMP clinical and commercial manufacturing services for the biotechnology and biopharmaceutical industries. With 25 years of experience producing monoclonal antibodies and recombinant proteins in batch, fed-batch and perfusion modes, Avid's services include cGMP clinical and commercial product manufacturing, purification, bulk packaging, stability testing and regulatory strategy, submission and support. The company also provides a variety of process development activities, including cell line development and optimization, cell culture and feed optimization, analytical methods development and product characterization. [www.avidbio.com](http://www.avidbio.com)

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