

**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**

December 14, 2010

Date of report (Date of earliest event reported)

SurModics, Inc.

(Exact Name of Registrant as Specified in its Charter)

Minnesota

(State of Incorporation)

0-23837

(Commission File
Number)

41-1356149

(I.R.S. Employer
Identification No.)

**9924 West 74th Street
Eden Prairie, Minnesota**

(Address of Principal Executive Offices)

55344

(Zip Code)

(952) 829-2700

(Registrant's Telephone Number, Including Area Code)

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):

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

(c) On December 14, 2010, SurModics, Inc. (the “Company” or “SurModics”) announced that its Board of Directors (the “Board”) had appointed Gary R. Maharaj to serve as the Company’s President and Chief Executive Officer, and a member of its Board, effective on December 27, 2010. Upon the effectiveness of Mr. Maharaj’s appointment, Philip D. Ankeny will cease to serve as the Company’s interim Chief Executive Officer, but will continue to serve the Company as its Senior Vice President and Chief Financial Officer.

Prior to joining SurModics, Mr. Maharaj, age 47, served as President and Chief Executive Officer of Arizant Inc., a provider of patient temperature management systems in hospital operating rooms, from 2006 to 2010. Previously, Mr. Maharaj served in several senior level management positions for Augustine Medical, Inc. (predecessor to Arizant Inc.) from 1996 to 2006, including Vice President of Marketing, and Vice President of Research and Development. During his 23 years in the medical device industry, Mr. Maharaj has also served as vice president of Philip Adam and Associates, a product development management consulting firm, and in various management and research positions for the orthopedic implant and rehabilitation divisions of Smith & Nephew, PLC. Mr. Maharaj holds an M.B.A. from the University of Minnesota’s Carlson School of Management, an M.S. in biomedical engineering from the University of Texas at Arlington and the University of Texas Southwestern Medical Center at Dallas, and a B.Sc. in Physics from the University of the West Indies. Mr. Maharaj holds over 20 patents, all in the medical device field.

In connection with his hiring, Mr. Maharaj entered into an Offer Letter, a Severance Agreement, and a Non-Competition, Invention, Non-Disclosure Agreement. Pursuant to the Offer Letter, Mr. Maharaj’s annual salary will be \$425,000, and he will be eligible for an annual target incentive award equal to 50% of his base salary (pro-rated for fiscal 2011). Mr. Maharaj’s incentive award, if any, will be based on achievement of the Company’s fiscal 2011 corporate and business objectives as approved by the Board’s Organization and Compensation Committee. The Company also agreed to pay up to \$10,000 in legal fees incurred by Mr. Maharaj in connection with negotiating his employment offer, and to provide him with a payment of \$250,000 in the event the Company rescinds his offer of employment prior to his start date.

Additionally, pursuant to the Offer Letter, Mr. Maharaj will be granted the following three stock awards (the “Awards”) on December 27, 2010 (the “Grant Date”): (1) a restricted stock award having a value equal to \$250,000, which will vest in two equal annual increments on the Grant Date and the first anniversary of the Grant Date; (2) a 7-year non-qualified option to purchase shares of the Company’s common stock having a value of \$325,000, which will vest in four equal annual increments of twenty-five percent beginning on the first anniversary of the Grant Date; (3) a performance share award under the Company’s fiscal 2011 officer performance share plan, the target number of shares provided in such award having a value equal to \$325,000. Vesting of the performance shares will be determined based on the achievement of corporate objectives, as approved by the Board’s Organization and Compensation Committee, over a three-year period consisting of the Company’s fiscal years 2011 through 2013. Each of the foregoing stock awards will be non-cancelable (except upon payment), and will otherwise be granted in accordance with the SurModics 2009 Equity Incentive Plan and the terms of the Severance Agreement.

Pursuant to the Severance Agreement, Mr. Maharaj will be eligible for certain severance benefits in the event that his employment is terminated by the Company without cause, or by him for good reason. In particular, in the event his employment is terminated without cause, Mr. Maharaj will receive (1) a severance payment equal to twelve months of his then-current annual base salary, and (2) continuation coverage of life, health or dental benefits for up to 18 months. Further, in the event that Mr. Maharaj's employment is terminated by the Company without cause and he is unable to secure subsequent employment primarily because of his obligations under the Non-Competition, Invention, Non-Disclosure Agreement, the Company will extend his base salary severance payments so long as he is able to demonstrate that he is diligently seeking alternate employment. Additionally, any remaining forfeiture provisions on the initial restricted stock award provided to him in connection with his hiring will immediately lapse.

Additionally, pursuant to the Severance Agreement, Mr. Maharaj will be provided with severance benefits in the event his employment with the Company is terminated following a change in control of the Company. If, within twelve months following the occurrence of a change of control, Mr. Maharaj's employment with the Company is terminated either by the Company without cause, or by him for good reason, then Mr. Maharaj will receive: (1) a severance payment equal to two and one-half times the average cash compensation paid to him during the three most recent taxable years, and (2) continuation coverage of life, health or dental benefits for up to 18 months. In addition, any unvested portions of Mr. Maharaj's outstanding options will immediately vest and become exercisable, any remaining forfeiture provisions on his outstanding restricted stock awards will immediately lapse, and the target number of shares subject to his outstanding performance awards will immediately vest and become payable. If the severance benefits payable to Mr. Maharaj would constitute an excess parachute payment under Section 280G of the Internal Revenue Code, the company will not provide tax gross-up payments to Mr. Maharaj unless such benefits arise out of a change of control that occurs on or before the first anniversary of the Agreement, in which case, Mr. Maharaj will receive a tax gross-up payment sufficient to pay the initial excise tax applicable to such excess parachute payment.

The Non-Competition, Invention, Non-Disclosure Agreement provides that Mr. Maharaj will be subject to certain restrictive covenants regarding competition, solicitation, and confidentiality. The non-competition and non-solicitation covenants apply during the term of Mr. Maharaj's employment with the Company and for the two-year period following termination of employment, and the confidentiality covenants apply during the term of his employment and at all times thereafter.

A copy of the press release announcing Mr. Maharaj's appointment is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

99.1 Press Release dated December 14, 2010.

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.

SURMODICS, INC.

Date: December 20, 2010

/s/ Bryan K. Phillips

Bryan K. Phillips

Sr. Vice President, General Counsel and Secretary

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>	<u>Manner of Filing</u>
99.1	Press Release	Filed Electronically

FOR IMMEDIATE RELEASE

**SURMODICS NAMES GARY R. MAHARAJ
PRESIDENT AND CHIEF EXECUTIVE OFFICER**

EDEN PRAIRIE, MINN., December 14, 2010 — SurModics, Inc. (Nasdaq: SRDX), a leading provider of drug delivery and surface modification technologies to the healthcare industry, today announced that Gary R. Maharaj has been named President and Chief Executive Officer, effective December 27, 2010. Mr. Maharaj will also serve as a member of SurModics' Board of Directors.

Mr. Maharaj, who most recently served as President and Chief Executive Officer of Arizant Inc., will replace Philip D. Ankeny who has served as SurModics' Interim Chief Executive Officer since June 1, 2010. Mr. Ankeny will continue to serve as the Company's Senior Vice President and Chief Financial Officer.

"We are pleased to welcome Gary Maharaj to SurModics," said Robert C. Buhmaster, chairman of the Board of Directors. "During the past six months, our Board of Directors conducted an extensive search for a CEO candidate with the expertise and ability to capitalize on the opportunities in our marketplace. Gary is a seasoned medical technology industry executive with proven operational and financial expertise and an outstanding track record of value creation. Gary is well respected as a strong leader and a strategic thinker, and we are confident he is the right person to lead SurModics through its next phase of growth and development."

Mr. Buhmaster added, "On behalf of the SurModics Board, I would like to thank Phil Ankeny who has served as Interim CEO during the past six months. Under Phil's leadership, SurModics has made important progress, including undertaking a strategic review of our businesses with the assistance of a well-regarded healthcare consulting firm and implementing initiatives intended to reduce the Company's cost structure. In addition, we implemented a new organizational structure that provides enhanced accountability, improved efficiency and more effective resource deployment. We are grateful for his commitment and leadership during this time and look forward to Phil's continued contributions to the Company."

Gary Maharaj said, "I am excited to be joining SurModics at this pivotal time in the Company's history. SurModics has a talented group of employees and is gaining momentum in key areas of its business. My immediate priority will be to work with the Board, management team and SurModics' employees to drive improved operating and financial results across the organization, return to profitable growth and build value for all of our stakeholders."

Mr. Maharaj, 47, most recently served as President and Chief Executive Officer of Arizant Inc., a world leader in patient temperature management in hospital operating rooms. Under Mr. Maharaj's leadership, Arizant nearly doubled revenues in less than five years by expanding its market penetration, geographical diversification and product portfolio. Arizant was sold to the 3M Company for \$810 million in October 2010. During his 23 years in the medical device industry, Mr. Maharaj has also served as vice president of Philip Adam and Associates, a product development management consulting firm, and in various management and research positions for the orthopedic implant and rehabilitation divisions of Smith & Nephew, PLC. Mr. Maharaj holds an MBA from the University of Minnesota's Carlson School of Management, an M.S. in biomedical engineering from the University of Texas at Arlington and the University of Texas Southwestern Medical Center at Dallas, and a B.Sc. in Physics from the University of the West Indies. Mr. Maharaj holds over 20 patents, all in the medical device field.

About SurModics, Inc.

SurModics' vision is to extend and improve the lives of patients through technology innovation. The Company partners with the world's foremost medical device, pharmaceutical and life science companies to develop and commercialize innovative products that result in improved diagnosis and treatment for patients. Core offerings include: drug delivery technologies (coatings, microparticles, nanoparticles, and implants); surface modification coating technologies that impart lubricity, prohealing, and biocompatibility capabilities; and components for In Vitro diagnostic test kits and specialized surfaces for cell culture and microarrays. SurModics is headquartered in Eden Prairie, Minnesota and its SurModics Pharmaceuticals subsidiary is located in Birmingham, Alabama. For more information about the Company, visit www.surmodics.com. The content of SurModics' website is not part of this release or part of any filings the Company makes with the SEC.

Safe Harbor for Forward-Looking Statements

This press release contains forward-looking statements. Statements that are not historical or current facts, including statements about beliefs and expectations, such as our ability to achieve the cost savings and other benefits associated with our October 2010 organizational changes and workforce reduction, and our performance in the near- and long-term, including our positioning for profitable growth, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including (1) our ability to successfully identify, negotiate, sign and close a potential strategic transaction related to our Pharmaceuticals business; (2) the inability to realize the anticipated benefits of any potential transaction regarding our Pharmaceuticals business, if consummated, or of our other recent cost savings initiatives; (3) the potential adverse impact to our business as a result of our announcement to pursue strategic alternatives for our Pharmaceuticals business; (4) developments in the regulatory environment, as well as market and economic conditions, may adversely affect our business operations and profitability; (5) our reliance on third parties (including our customers and licensees) and their failure to successfully develop, obtain regulatory approval for, market and sell products incorporating our technologies may adversely affect our business operations, our ability to realize the full potential of our pipeline, and our ability to achieve our corporate goals; and (6) the factors identified under "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2009, and updated in our subsequent reports filed with the SEC. These reports are available in the Investors section of our website at www.surmodics.com and at the SEC website at www.sec.gov. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update them in light of new information or future events.

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Contact

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