

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

Date of earliest event reported: July 15, 2019

NovaBay Pharmaceuticals, Inc.  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-33678  
(Commission File Number)

68-0454536  
(I.R.S. Employer  
Identification No.)

2000 Powell Street, Suite 1150, Emeryville, CA 94608  
(Address of Principal Executive Offices) (Zip Code)

(510) 899-8800  
(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. below):

- 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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange On Which Registered</u>
Common Stock, par value \$0.01 per share	NBY	NYSE American

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.

---

**Item 7.01. Regulation FD Disclosure.**

On July 15, 2019, NovaBay Pharmaceuticals, Inc. (the “Company”) issued a press release describing the Company’s progress of increasing accessibility to Avenova through its sales channels during the second quarter of 2019. The Company’s press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information contained in this Item 7.01 of this Current Report shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”) or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing. The furnishing of the information in this Item 7.01 of this Current Report on Form 8-K is not intended to, and does not, constitute a representation that such furnishing is required by Regulation FD or that the information contained in this Current Report on Form 8-K constitutes material investor information that is not otherwise publicly available.

The SEC encourages registrants to disclose forward-looking information so that investors can better understand the future prospects of a registrant and make informed investment decisions. This Item 7.01 of the Current Report on Form 8-K and Exhibit 99.1 may contain these types of statements, which are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, and which involve risks, uncertainties and reflect the Company’s judgment as of the date of this Current Report on Form 8-K. These statements are subject to inherent uncertainties and risks that could cause actual results to differ materially from those anticipated at the date of this Current Report on Form 8-K. Investors are cautioned not to rely unduly on forward-looking statements when evaluating the information presented within.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
--------------------	--------------------

99.1	<a href="#">Press Release, dated July 15, 2019</a>
------	----------------------------------------------------

---

**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.

**NovaBay Pharmaceuticals, Inc.**

By: /s/ Justin Hall  
Justin Hall  
President & Chief Executive Officer and  
General Counsel

Dated: July 15, 2019



## NovaBay Pharmaceuticals Issues Letter to Stockholders

**EMERYVILLE, Calif. (July 15, 2019)** – NovaBay® Pharmaceuticals, Inc. (NYSE American: NBY), a biopharmaceutical company focusing on commercializing Avenova® for the domestic eye care market, announces that President and CEO Justin Hall has issued the following letter to stockholders:

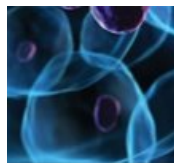
To My Fellow Stockholders:

The second quarter of 2019 was transformative for NovaBay. As we look forward to the third quarter and remainder of 2019, I would like to take a moment to update you on the progress we've made in the first half of the year. NovaBay has made considerable advancements toward our goals of increasing Avenova accessibility and enhancing the patient experience, while maintaining product affordability in an evolving reimbursement environment. To achieve these goals, we have improved the efficiency of both our prescription sales and our buy-and-build channels, and launched a new direct-to-consumer channel on Amazon.com, making prescription-strength Avenova available for the first time without a prescription.

I would like to reiterate that with Avenova, NovaBay is selling a terrific product that is widely accepted by medical professionals as well as their patients. All of our current initiatives are designed to accelerate our time to profitability and build upon Avenova's foundation as the leading prescription lid and lash spray. As the only commercially available pure hypochlorous acid formulation, we are confident Avenova is the best product to treat the chronic bacterial infections that affect approximately 85% of all dry eye sufferers. Avenova is free from the bleach impurities found in other hypochlorous products, is soothing to the eye, and is safe and effective for long-term use. Since we launched Avenova in 2014, more than 850,000 prescriptions have been written by more than 15,000 physicians. That said, we have barely tapped the large addressable market for bacterial dry eye.

The trend toward higher-deductible health plans has impacted branded prescription drugs industrywide and is challenging our commercial goals. Under our prescription sales strategy, we have made Avenova 40mL continuously available to patients regardless of health insurance coverage for \$60 or less through the use of coupons and rebates. Higher deductible health plans have necessitated greater usage of rebates and coupons to maintain Avenova's affordability, however I would like to remind doctors and patients alike that no one should ever pay more than \$60 for a 40mL bottle of Avenova at the pharmacy. Through our Partner Pharmacy Program, or through our coupon and rebate program, we guarantee this pricing for every patient. Avenova® Direct is the same strength hypochlorous formulation as prescription Avenova in a 20mL size at the affordable price of \$29.99 on Amazon.com.

In the first quarter of 2019, we were challenged by the costs of maintaining an expanded commercial organization. Earlier this year we made a strategic shift by significantly reducing the number of field sales representatives by about three-quarters and redeploying our remaining representatives in territories that account for about 95% of retail pharmacy sales. This shift allows us to effectively utilize our streamlined commercial resources to reach higher-prescribing physicians while reducing our 2019 budget by an estimated \$3.6 million, which supports our goal of profitability.



I want to share updates on our efforts to increase sales by enhancing our three sales channels while also reducing the cost of sales:

Direct-to-Consumer Model: In an effort to improve patient access, Avenova Direct was launched on June 1, 2019 to U.S. customers exclusively on [Amazon.com](https://www.amazon.com). This channel offers NovaBay with stable gross-to-net pricing and provides customers with easy access to our product. This model capitalizes on a trend to sell pharmaceutical products directly to consumers in response to high-deductible health plans, allowing customers to forego a time-consuming doctor visit and trip to the pharmacy. We are promoting this program through complementary social media marketing to target consumers in specific demographics, as well as to ophthalmologists, optometrists, and current and former Avenova patients.

Prescription Channel: Since the start of the year we have doubled the number of pharmacies in our Partner Pharmacy Program to 16, putting us on track to increase Avenova sales through retail pharmacies from one-quarter to one-half of all sales. Our partner pharmacies provide patients with a quality experience that includes a relatively short time between receiving the initial prescription and filling it, fast refills and home delivery. The combination of a pre-negotiated price along with a reduction in coupon and rebate usage improves our gross-to-net and per-script profitability.

Buy-and-Sell Channel: We are increasing the number of optometrists and ophthalmologists utilizing our buy-and-sell channel under which they directly sell prescription Avenova in the 20mL size at a suggested retail price of \$30, making it convenient for patients to buy Avenova during their office visit and providing eye care specialists with a new source of revenue. We are encouraging more eye-care professionals to become resellers of Avenova through an extensive email campaign that provides ways to incorporate Avenova into their practices. Additionally, we have made ordering the product easier for physicians through our updated website [Avenova.com](https://www.avenova.com).

We are gratified by the warm reception we have received from Avenova patients and ophthalmology key opinion leaders, some of which are available on [Avenova.com](https://www.avenova.com). I want to share excerpts from an email recently sent by ophthalmologist Dr. Lisa Arbisser:

*Avenova is the ONLY true pure hypochlorous acid. It is the product of the human white [blood] cell with the antiseptic activity of iodine (betadine) but without the toxicity. One of the most important attributes of hypochlorous acid is its ability to penetrate bacterial biofilm, an essential attribute for complete cure which antibiotics lack. Additionally, it kills all infective organisms on contact theoretically eliminating the development of resistance. The other essential quality is that, unlike with the use of antibiotics, it does not disrupt the biome but lowers or eliminates all the organisms present permitting restoration of normal flora more rapidly and completely. This is a proven advantage for eyelid infection and overgrowth of opportunistic infectious agents responsible for blepharitis.*

---

In summary, we are encouraged by our progress in commercializing a product with many important competitive advantages in a large market. We are actively taking steps to adapt to an industrywide change in the reimbursement environment to make Avenova accessible and affordable under appropriate economics to NovaBay. Our refined programs are focused on driving revenues through the most efficient sales channels with the goal of achieving positive cash flow and profitability.

On behalf of my colleagues at NovaBay Pharmaceuticals and our board of directors, I want to thank our stockholders for their continued support.

Sincerely,

Justin Hall  
Chief Executive Officer and General Counsel

**About Avenova®**

Avenova is an eye care product formulated with our proprietary, stable and pure form of hypochlorous acid. Avenova is designed for removal of the microorganisms and debris that contribute to conditions such as meibomian gland dysfunction, dry eye and blepharitis. Avenova is marketed to optometrists and ophthalmologists throughout the U.S. by NovaBay's direct salesforce and available online through [Amazon.com](https://www.amazon.com).

**About NovaBay Pharmaceuticals, Inc.: Going Beyond Antibiotics®**

NovaBay Pharmaceuticals, Inc. is a biopharmaceutical company focusing on commercializing and developing its non-antibiotic anti-infective products to address the unmet therapeutic needs of the global, topical anti-infective market with its two distinct product categories: the NEUTROX® family of products and the AGANOCIDE® compounds. The Neutrox family of products includes AVENOVA® for the eye care market, NEUTROPHASE® for wound care market, and CELLERX® for the aesthetic dermatology market. The Aganocide compounds, still under development, have target applications in the dermatology and urology markets.

**Forward-Looking Statements**

This release contains forward-looking statements that are based upon management's current expectations, assumptions, estimates, projections and beliefs. These statements include, but are not limited to, statements regarding our future momentum and online sales, Board and executive composition, and generally the company's expected future financial results. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or achievements to be materially different and adverse from those expressed in or implied by the forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, risks and uncertainties relating to our ability to remain a publicly listed company, maintain the support of our majority shareholders, and ability to adhere to our approved NYSE compliance plan. Other risks relating to NovaBay's business, including risks that could cause results to differ materially from those projected in the forward-looking statements in this press release, are detailed in NovaBay's latest Form 10-Q/K filings with the Securities and Exchange Commission, especially under the heading "Risk Factors." The forward-looking statements in this release speak only as of this date, and NovaBay disclaims any intent or obligation to revise or update publicly any forward-looking statement except as required by law.

---

**Socialize and Stay informed on NovaBay's progress:**

Like us on [Facebook](#)

Follow us on [Twitter](#)

Connect with NovaBay on [LinkedIn](#)

Visit NovaBay's [Website](#)

**Avenova Purchasing Information**

For NovaBay Avenova purchasing information:

Please call 800-890-0329 or email [sales@avenova.com](mailto:sales@avenova.com).

[www.Avenova.com](http://www.Avenova.com)

**NovaBay Contact**

Justin Hall

President and Chief Executive Officer

510-899-8800

[jhall@novabay.com](mailto:jhall@novabay.com)

**Investor Contact**

LHA Investor Relations

Jody Cain

310-691-7100

[jcain@lhai.com](mailto:jcain@lhai.com)

###