
**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 Report (Date of earliest event reported): March 11, 2014

MELA Sciences, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-51481
(Commission
File Number)

13-3986004
(IRS Employer
Identification No.)

50 South Buckhout Street, Suite 1
Irvington, New York
(Address of principal executive offices)

10533
(Zip Code)

Registrant's telephone number, including area code (914) 591-3783

(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 (see General Instructions 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))
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Item 2.02 — Results of Operations and Financial Condition

On March 17, 2014, MELA Sciences, Inc. (the “Company”) issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2013, and that it will hold a conference call to discuss such results. The press release is attached hereto as Exhibit 99.1.

This information 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, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 5.02 — Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On March 11, 2014, the Board of Directors appointed Samuel Navarro as a director of the Company. Mr. Navarro was appointed to the Board of Directors pursuant to a right granted to Broadfin Capital, LLC (“Broadfin”) to designate one director to the Company’s Board of Directors. As previously disclosed, Broadfin was granted this right in connection with its purchase of the Company’s Series A Convertible Preferred Stock (the “Preferred Stock”) and warrants (“Warrants”) to purchase shares of the Company’s common stock (the “Series A Preferred Stock Financing”). Broadfin will retain this right so as long as it retains 30% of its investment in the Preferred Stock (or the shares of common stock underlying the Preferred Stock) or holds any Warrants. Mr. Navarro is deemed by the Board to be an independent director.

Mr. Navarro brings a wealth of knowledge and industry expertise in finance, investment banking, mergers and acquisitions, equity research and investment management experience in the medical device industry. Mr. Navarro is currently Managing Partner at Gravitas Healthcare, LLC. Before Gravitas, Mr. Navarro was Managing Director of Cowen & Co. in New York City and head of their Medical Technology Investment Banking initiatives, leading a team of senior people, and was responsible for building the franchise across all product categories, including M&A/Advisory and financing services and products. Before Cowen & Co., Mr. Navarro spent over four years at The Galleon Group running the Galleon Healthcare Fund as a Senior Portfolio Manager. He was responsible for all health care investments across all sectors, including pharmaceuticals / biopharmaceutical industries, medical technology and hospital supplies, and all areas of healthcare services. Prior to Galleon, Mr. Navarro was Global Head of Healthcare Investment Banking at ING Barings.

Mr. Navarro has also served or serves on the boards of Arstasis, MicroTherapeutics, Jomed, Photomedex and Pixelux Entertainment. Mr. Navarro received an MBA in Finance from The Wharton School at the University of Pennsylvania, a Master of Science in Engineering from Stanford University and a Bachelor of Science in Engineering from The University of Texas at Austin.

Mr. Navarro received options to purchase up to 10,000 of shares of the Company’s common stock at exercise price equal to the closing price of the Company’s common stock on the date of grant. The options will vest in full on December 5, 2014. In addition, Mr. Navarro entered into the Company’s standard indemnification agreement for directors.

In connection with the Series A Preferred Stock Financing, the Company paid a placement fee to Gravitas Healthcare Partners, LLC, an entity affiliated with at Gravitas Healthcare, LLC, in the amount of \$160,000. As a principal of Gravitas Healthcare Partners, LLC, Mr. Navarro’s interest in the fee amounted to approximately \$96,000.

In connection with the appointment of Mr. Navarro to the Board, the Company issued a press release on March 14, 2014. A copy of the press release is attached hereto as Exhibit 99.2.

Item 9.01 — Financial Statements and Exhibits

(d) Exhibits

99.1 Press Release, dated March 17, 2014

99.2 Press Release, dated March 14, 2014

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MELA Sciences, Inc.

Date: March 17, 2014

By: /s/ Rose Crane
Rose Crane
Chief Executive Officer



MELA Sciences Announces 2013 Fourth Quarter and Year-End Financial Results

Irvington, NY, March 17, 2014 — MELA Sciences, Inc. (NASDAQ: MELA), (the “Company”), developer of MelaFind®, an FDA approved optical diagnostic device that assists dermatologists in the diagnosis of melanoma, today announced financial results for the fourth quarter and year ended December 31, 2013.

Conference Call

The Company will host a conference call at 4:30pm ET to review results. Please dial 877-303-9205 (domestic) or 760-536-5226 (international). A live webcast will be available at: www.melasciences.com. If you are unable to participate during the live call and webcast, a replay will be archived and available for approximately 90 days after call.

Fourth Quarter and Full Year 2013 Financial Results

Net Revenues for the three months ended December 31, 2013 were \$140,000 compared to \$122,000 for the same period last year, an increase of 14.75%. Cost of revenue for the fourth quarter was \$914,000 down 5.87% from \$971,000 in the prior year. Total operating expenses for the fourth quarter were \$3.6 million down 30.58% from last year, which was due to management’s cost reduction and cash conservation policy put in place mid-year.

The Company’s net loss for the three months ended December 31, 2013 was \$4.6 million, or \$0.09 per diluted share, compared to a net loss of \$6.1 million, or \$0.19 per diluted share, for the same period in 2012.

Net Revenues for the twelve months ended December 31, 2013 were \$536,000 compared to \$278,000 reported for the same period in 2012, an increase of 92.81%. Cost of revenue for the full year was \$4.3 million compared to \$2.0 million for 2012 and primarily relates to increased depreciation expense for units placed during the year. Total operating expenses for 2013 were \$20.3 million down 3.02% from last year and included an impairment charge taken in the third quarter of approximately \$1 million related to our MelaFind® systems placed in the field.

The net loss for 2013 was \$25.9 million or \$0.60 per share compared to \$22.7 million or \$0.74 per share in 2012. The net loss for 2013 includes the \$1 million non-cash impairment charge mentioned above, a write-off of unamortized loan costs of approximately \$1 million relating to the pay-off of long term debt, increased interest expense of \$0.6 million also attributed to the long term debt and a non-cash charge of \$0.3 million primarily related to warrants issued in the October 2013 financing that must be accounted for as a liability.

Fourth Quarter and Full Year 2013 Highlights

On October 31, 2013 the Company closed on a \$6 million registered direct offering, which resulted in net proceeds to the Company of approximately \$5.5 million. As part of the offering the Company sold just over 4.2 million shares of common stock and prefunded warrants to purchase up to 4.3 million shares of common stock. The Company also issued additional warrants to purchase up to 6.9 million shares of common stock, which could result in proceeds of \$5.8 million, if exercised.

In November, Rose Crane was appointed President and CEO of the Company bringing over 30 years of healthcare industry experience in fields such as pharmaceuticals, medical devices and healthcare services. As President and CEO of Epocrates, a healthcare technology firm, she directed the efforts to take the company public.

In October, Dr. Darrell Rigel, Clinical Professor of Dermatology at New York University, Langone Medical Center was appointed Chief Medical Advisor to the Board. Dr. Rigel also serves as a Regional Chair of the Massachusetts Institute of Technology Education Council.

In the fourth quarter, MELA Sciences participated in various clinical conferences and meetings including the following:

- MelaFind® was showcased at the American Society of Dermatologic Surgery Annual Meeting, the meeting was held over four days and provided attendees the opportunity to stay current on innovative devices, news and technology;
- presented four Poster Presentations at the 32nd Annual Fall Clinical Dermatology Conference in Las Vegas and held its first Clinical Advisory meeting, which announced the launch of a new user study, called the MelaFind® Experience Trial (MET-1);
- participated in the Washington D.C. Dermatological Society's Fall Clinical Conference, a hands-on symposium involving live patient case studies and pathology analysis; and
- in conjunction with the Mount Sinai Winter Dermatology Symposium, hosted its second Clinical Advisory Meeting chaired by Dr. Gary Goldenberg, Medical Director of Mount Sinai's Dermatology Faculty Practice.

“Having joined MELA Sciences just before the end of the year, I can only say thank you to everyone from management to staff for their diligence and hard work throughout 2013. The market proved to be a difficult one and ultimately the Company realized that a refocused strategy was in order. So I am happy to say we have initiated a new business plan and a new business model that will serve not only MELA but dermatologists and most importantly the patients at high risk for melanoma,” said Rose Crane, President and CEO of MELA Sciences.

The new business plan refocuses the Company's go-to-market strategy on medical dermatologists who treat high-risk patients and on Key Opinion Leaders at leading hospitals and teaching institutions in the United States as they lead the charge on melanoma.

The new business model allows dermatologists to purchase the MelaFind® device rather than rent it. This is typically how business is conducted for medical devices.

The Company is also working diligently on securing insurance reimbursement codes for both doctors and insurance companies.

Since the end of 2013, the Company has also taken important steps in raising awareness of, the Company and its product MelaFind®, and strengthening its balance sheet. Senior management presented at a small-cap investor conference in New York and was well received. MelaFind® has been introduced to several major institutions in the United States gaining placement in four of the leading melanoma centers.

In February, the Company completed a private placement offering with two major healthcare institutional investors and its directors for net proceeds of approximately \$11.54 million prior to approximately \$2.5 million in penalties that have applied and up to an additional \$1.4 million in penalties that may apply. As part of the offering the Company sold shares of its non-redeemable preferred stock, which is convertible into approximately 14.6 million shares of its common stock and warrants to purchase up to 13.3 million shares of common stock which, if exercised, could result in proceeds to the Company of up to \$9.8 million. In addition, the Company sold approximately 200,000 shares of its common stock to its directors.

Please follow us:

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About MELA Sciences, Inc. www.melasciences.com

MELA Sciences is a medical device company developing dermatology diagnostics utilizing state-of-the-art optical imaging. The flagship product is MelaFind®, an FDA, PMA and CE Mark approved, non-invasive diagnostic tool to assist dermatologists in melanoma evaluation and diagnosis. MelaFind® uses a variety of visible to near-infrared light waves to analyze atypical pigmented skin lesions 2.5mm below the skin surface. It provides images and data on the relative disorganization of a lesion's structure that provides substantial additional perspective to assist melanoma diagnosis. MELA is also exploring new potential uses for its core imaging technology and algorithms.

Safe Harbor

This press release includes “forward-looking statements” within the meaning of the Securities Litigation Reform Act of 1995. These statements include but are not limited to our plans, objectives, expectations and intentions and may contain words such as “seeks,” “look forward,” and “there seems” that suggest future events or trends. These statements are based on our current expectations and are inherently subject to significant uncertainties and changes in circumstances. Actual results may differ materially from our expectations due to financial, economic, business, competitive, market, regulatory and political factors or conditions affecting the company and the medical device industry in general, as well as more specific risks and uncertainties set forth in the company's SEC reports on Forms 10-Q and 10-K. Given such uncertainties, any or all of these forward-looking statements may prove to be incorrect or unreliable. MELA Sciences assumes no duty to update its forward-looking statements and urges investors to carefully review its SEC disclosures available at www.sec.gov and www.melasciences.com.

Media

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MELA SCIENCES, INC.
BALANCE SHEETS
As of December 31, 2013 and 2012
(in thousands, except for share and per share data)

	2013	2012
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,783	\$ 7,862
Accounts receivable, net	57	180
Inventory, net	5,631	676
Prepaid expenses and other current assets	880	965
Total Current Assets	10,351	9,683
Property and equipment, net	3,691	7,350
Patents and trademarks, net	42	47
Deferred financing costs	—	106
Other assets	48	84
Total Assets	\$ 14,132	\$ 17,270
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 1,479	\$ 1,850
Accrued expenses	844	956
Deferred placement revenue	244	172
Warrant liability	3,017	—
Other current liabilities	68	41
Total Current Liabilities	5,652	3,019
Long Term Liabilities:		
Deferred placement revenue	64	132
Deferred rent	120	144
Total Long Term Liabilities	184	276
Total Liabilities	5,836	3,295
COMMITMENTS AND CONTINGENCIES		
Stockholders' Equity		
Preferred stock - \$.10 par value; authorized 10,000,000 shares: issued and outstanding: none		
Common stock - \$.001 par value; authorized 95,000,000 shares: Issued and outstanding 47,501,596 and 32,204,720 shares at December 31, 2013 and 2012, respectively.	48	32
Additional paid-in capital	176,396	156,143
Accumulated deficit	(168,148)	(142,200)
Stockholders' Equity	8,296	13,975
Total Liabilities and Stockholders' Equity	\$ 14,132	\$ 17,270

MELA SCIENCES, INC.
STATEMENTS OF OPERATIONS
(in thousands, except for share and per share data)

	<u>Three months ended December 31</u>		<u>Twelve months ended December 31</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Net revenues	140	122	536	278
Cost of revenue	914	971	4,341	2,042
Gross profit	(774)	(849)	(3,805)	(1,764)
Operating expenses:				
Research and development	540	1,285	3,782	6,792
Selling, general and administrative	3,096	3,953	15,536	14,169
Impairment of long-lived assets	—	—	1,011	—
Total operating expenses	3,636	5,238	20,329	20,961
Operating loss	(4,410)	(6,087)	(24,134)	(22,725)
Other income (expenses):				
Interest income	1	4	8	32
Interest expense	(1)	—	(564)	—
Change in fair value of warrant liability	(206)	—	(296)	—
Loss on early extinguishment of debt	—	—	(983)	—
Other income, net	6	5	21	20
	(200)	9	(1,814)	52
Net loss	<u>\$ (4,610)</u>	<u>\$ (6,078)</u>	<u>\$ (25,948)</u>	<u>\$ (22,673)</u>
Basic and diluted net loss per common share	<u>\$ (0.09)</u>	<u>\$ (0.19)</u>	<u>\$ (0.60)</u>	<u>\$ (0.74)</u>
Basic and diluted weighted average number of common shares outstanding	<u>46,058,796</u>	<u>31,727,391</u>	<u>42,894,500</u>	<u>30,762,610</u>



**Optical Diagnostic Developer, MELA Sciences,
Appoints Veteran Medical Device
Investment Banker, Samuel Navarro, as Director**

Irvington, NY March 14, 2014 – MELA Sciences, Inc. (NASDAQ: MELA), developer of MelaFind®, an FDA approved optical diagnostic device that assists dermatologists in melanoma diagnosis, today announced the appointment of veteran medical device investment banker Samuel E. Navarro to the Board of Directors. Mr. Navarro’s appointment brings MELA’s Board to eight members.

Mr. Navarro brings a wealth of knowledge and industry expertise in finance, investment banking, mergers and acquisitions, equity research and investment management experience in the medical device industry. Mr. Navarro is currently Managing Partner at Gravitas Healthcare, LLC. Before Gravitas, Mr. Navarro was Managing Director of Cowen & Co. in New York City and head of their Medical Technology Investment Banking initiatives, leading a team of senior people, and was responsible for building the franchise across all product categories, including M&A/Advisory and financing services and products. Before Cowen & Co., Mr. Navarro spent over four years at The Galleon Group running the Galleon Healthcare Fund as a Senior Portfolio Manager. He was responsible for all healthcare investments across all sectors, including pharmaceuticals / biopharmaceutical industries, medical technology and hospital supplies, and all areas of healthcare services. Prior to Galleon, Mr. Navarro was Global Head of Healthcare Investment Banking at ING Barings.

Mr. Navarro has also served or serves on the boards of Arstasis, MicroTherapeutics, Jomed, Photomedex and Pixelux Entertainment. Mr. Navarro received an MBA in Finance from The Wharton School at the University of Pennsylvania, a Master of Science in Engineering from Stanford University and a Bachelor of Science in Engineering from The University of Texas at Austin.

Mr. Navarro, commented, “I am excited to contribute to the MELA Sciences Board as they execute their U.S. and European commercialization strategy for MelaFind and develop plans for other global markets. I also look forward to working with the company to evaluate and develop other potential applications for their optical diagnostic technology.”

Rose Crane, CEO of MELA Sciences said, “Sam brings a tremendous breadth of experience, expertise and relationships across the medical device and healthcare industry and huge enthusiasm regarding MELA Sciences and our potential. We look forward to the vital insight and guidance Sam will provide as we move forward.”

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