
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): December 23, 2010

MIMEDX GROUP, INC.

(Exact name of registrant as specified in its charter)

Florida (State or other Jurisdiction of Incorporation)	000-52491 (Commission File Number)	26-2792552 (IRS Employer Identification No.)
811 Livingston Court SE, Suite B Marietta, GA (Address of Principal Executive Offices)		30067 (Zip Code)

Registrant's telephone number, including area code: **(678) 384-6720**

1234 Airport Road, Suite 105, Destin, FL 32541
(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:

- 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 1.01 Entry Into a Material Definitive Agreement.

On, December 21, 2010, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Membrane Products Holdings, LLC and OnRamp Capital Investments, LLC, the owners of Surgical Biologics, LLC ("Surgical Biologics"), a privately held company headquartered in Kennesaw, Georgia, whose primary business is in the development of tissue processing techniques for creating implants for a variety of surgical indications from amnion membranes. Pursuant to the Merger Agreement, the Company will acquire all of the outstanding interests in Surgical Biologics. Following the closing, Surgical Biologics will operate as a wholly owned subsidiary of the Company. The transaction is subject to certain conditions to closing, which is expected to occur in early January 2011.

The Merger Agreement provides, among other things, for initial merger consideration consisting of MiMedx common stock, debt and cash as follows:

- \$5,250,000 of MiMedx common stock (valued at \$1 per share); plus
- \$500,000 in cash (subject to adjustment for any shortfall in Surgical Biologics' working capital from the agreed amount, Surgical Biologics' debt in excess of the amount agreed to be assumed and Surgical Biologics' transaction costs); plus
- Convertible Secured Promissory Notes in the aggregate principal sum of \$1,250,000, which will bear interest at the annual rate of 4% and will be payable in full 18 months after Closing, subject to certain offset rights in favor of the Company. The Notes may be prepaid at any time without penalty on 30 days' written notice to the holders. The Notes will be secured by a first lien security interest in the intellectual property (consisting of patents, patent applications and trade secrets) acquired from Surgical Biologics in the transaction. No other intellectual property or assets of MiMedx will be pledged to secure the Notes. The Notes will be convertible at any time at the option of the holder into shares of MiMedx common stock at a conversion price equal to \$1 per share (the "Conversion Price"). The Notes will be convertible at the option of MiMedx if the closing trading price of MiMedx common stock equals or exceeds 175% of the Conversion Price (\$1.75) for any 20 consecutive trading days; plus
- Debt assumed in the transaction of approximately \$241,000.

In addition, the Merger Agreement provides for contingent consideration payable in MiMedx Common Stock as follows:

- An amount equal to 60% of the excess of MiMedx's gross revenues (net of returns and allowances) ("Gross Revenues") in calendar year 2011 from sales of all Surgical Biologics' products over Surgical Biologics' Gross Revenues from sales of such products in calendar year 2010. For purposes of the calculation (i) Gross Revenues are reduced or increased to the extent the 2011 cost of goods sold for Surgical Biologics' current product line exceeds or is less than certain agreed parameters, and (ii) Gross Revenues from any new product that incorporates both a placenta derived tissue product of Surgical Biologics and a proprietary product or process of MiMedx are reduced by 50%. The contingent payment is reduced by the cost of any required FDA clearances or approvals for the sale of Surgical Biologics' current product line.
- An amount equal to 30% of the excess of MiMedx' Gross Revenues in calendar year 2012 from sales of all Surgical Biologics' products over Surgical Biologics' Gross Revenues from sales of such products in calendar year 2011. For purposes of the calculation, (i) Gross Revenues are reduced or increased to the extent the 2012 cost of goods sold for Surgical Biologics' current product line exceeds or is less than certain agreed parameters and (ii) Gross Revenues from any new product that incorporates both a placenta derived tissue product of Surgical Biologics and a proprietary product or process of MiMedx are reduced by 50%. The contingent payment is reduced by the cost of any required FDA clearances or approvals for the sale of Surgical Biologics' current product line.
- For purposes of the contingent consideration, MiMedx shares are valued at the average closing trading price of MiMedx common stock for the 20 consecutive trading days immediately preceding the date that is one day prior to the date MiMedx' Form 10-K is filed with the SEC for the applicable year. Contingent consideration is payable 30 days after MiMedx files its Form 10-K for the applicable year.

In addition, the Merger Agreement provides for certain indemnification protections for the Company, secured by the deposit into escrow of 525,000 shares of MiMedx common stock for a two year period, and offset rights against fifty percent (50%) of the principal amount of the Convertible Secured Promissory Note and all of the contingent payments. The limitation period for indemnity claims is generally two (2) years with certain exceptions.

The foregoing description of the terms set forth in the Merger Agreement is qualified in its entirety by reference to the Agreement and Plan of Merger dated December 22, 2010 which will be filed as an Exhibit to our Annual Report for the fiscal year ending December 31, 2010 on Form 10-K with the Securities and Exchange Commission by no later than March 31, 2011.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Reference is made to the disclosure set forth under Item 1.01 (a) of this Current Report, which disclosure is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Security Securities.

As noted at Item 1.01, the Company has entered into a Merger Agreement pursuant to which, subject to certain conditions, it will issue 5,250,000 shares of its Common Stock and a Convertible Secured Promissory Note pursuant to which it may issue up to 1,250,000 additional shares of its Common stock. Please refer to the disclosure set forth under Item 1.01 (a) of this Current Report, which disclosure is incorporated herein by reference.

The Company relied on Section 4(2) of the Securities Act of 1933 (the "Securities Act") and Rule 506 of Regulation D under the Securities Act, as amended, to issue the securities described in this Current Report because they were offered to accredited investors and a limited number of unaccredited investors who purchased for investment in transactions that did not involve a general solicitation

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of the Business Acquired.

In accordance with Instruction (a)(4) to Item 9.01, the Company will file the Surgical Biologics, LLC financial statements required by this item by amendment to this Form 8-K Report not later than seventy-one (71) calendar days after this initial Current Report on Form 8-K reporting the Merger Agreement was required to be filed.

(b) Pro Forma Financial Information.

In accordance with Instruction (a)(4) to Item 9.01, the Company will file the pro forma financial information required by this item by amendment to this Form 8-K Report not later than seventy-one (71) calendar days after this initial Current Report on Form 8-K reporting the Merger Agreement was required to be filed.

(c) Not applicable.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release announcing agreement to purchase Surgical Biologics, LLC issued by MiMedx Group, Inc., dated December 23, 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.

MIMEDX GROUP, INC.

Dated: December 23, 2010

By: /s/ Michael J. Senken
Michael J. Senken, Chief Financial Officer



**PRESS RELEASE Contact: Michael Senken
Phone: (678) 384-6720**

MiMedx Announces Agreement to Acquire Surgical Biologics

Marietta, GA, December 21, 2010 (PR Newswire) – MiMedx Group, Inc. (OTCBB: MDXG), an integrated developer, manufacturer and marketer of patent protected biomaterial-based products, announced today that it has signed a definitive agreement to acquire Surgical Biologics, a leader in the development of tissue processing techniques for creating implants for a variety of surgical indications from amnion membranes.

Privately held Surgical Biologics was founded in early 2006 and is headquartered in Kennesaw, Georgia. In its five year history, Surgical Biologics has established its reputation as a pioneer in the development of the latest advances in processing amniotic membrane tissues that provide safe, reliable and effective implants. Through Purion®, its proprietary tissue processing technology which produces an implant that is minimally manipulated, Surgical Biologics has differentiated itself, and its tissues are in over 30,000 implants. The Purion® process follows strict guidelines for allograft processing established by the Food and Drug Administration (“FDA”) and the American Association of Tissue Banks (“AATB”).

The human amniotic membrane comprises the innermost layer of the placenta, and lines the amniotic cavity. The amniotic tissue processed by Surgical Biologics is donated by mothers who have scheduled Cesarean sections. Each donor is screened and tested in accordance with FDA regulations and AATB standards.

Parker H. “Pete” Petit, MiMedx Chairman and Chief Executive Officer, stated, “We welcome Surgical Biologics and its founders, John Daniel and Randall Spencer, to our organization. John and Randall are well known in the area of tissue processing, and they bring extensive expertise and experience to MiMedx Group. They will be key members of our management team. We are excited about the benefits we will attain through the combination of the assets of both organizations, and we look forward to combining the MiMedx talent with the talents of John, Randall and their colleagues at Surgical Biologics. In effect, this will give us a third innovative biomaterial.”

"We will now have three very exciting biomaterial platforms to offer to physicians and our distribution networks," said Bill Taylor, President and Chief Operating Officer of MiMedx. "Adding Surgical Biologics is a synergistic fit for the areas of medical care that MiMedx is addressing. For example, our HydroFix™ Vaso Shield product is a permanent and biocompatible vessel cover. We believe there are applications using the Purion® tissue allograft as a resorbable vessel cover. Similarly, the potential applications of the Purion® tissue processing technology for soft tissue repair could give us offerings that are extremely complementary to our planned CollaFix™ products. By adding the Purion® technology to our existing platforms, we could have product or tissue offerings with distinctly different degradation profiles designed to fit the surgeon's preference based on the specific repair."

"We are very pleased to be joining with MiMedx Group," added John Daniel, President and Founder of Surgical Biologics. "Amniotic tissue has been widely studied and has implant potential for numerous medical areas, such as wound healing, burns, soft tissue trauma, tendon repair and posterior spinal applications. These areas are totally in sync with the strategy that MiMedx has developed."

MiMedx reported that it expects the transaction to be accretive in 2011. The Company reported that Surgical Biologics is projected to have 2010 revenues of approximately \$2 million, and MiMedx projects the 2011 revenues to be generated from the Surgical Biologics processed tissue to be in the range of \$7 million. The transaction is subject to certain conditions to closing, which is expected to occur in early January 2011.

Conference Call

MiMedx management will host a live conference call to discuss the transaction on Wednesday, December 22, 2010, beginning at 2:00 p.m. eastern time. A listen-only simulcast of the MiMedx Group conference call will be available online at the Company's website at www.mimedx.com or at www.earnings.com. A 30-day online replay will be available approximately one hour following the conclusion of the live broadcast. The replay can also be found on the Company's website at www.mimedx.com or at www.earnings.com.

About Surgical Biologics

Surgical Biologics develops bioimplants processed from human amniotic membrane, which can be used for a wide range of surgical indications. Purion®, a patent pending process created by Surgical Biologics, is specifically designed for processing the human amniotic membrane. Surgical Biologics is currently pioneering the latest advances in amnion based implants to provide an implant which is safe, reliable and effective.

About MiMedx

MiMedx Group, Inc. ("MiMedx Group") is an integrated developer, manufacturer and marketer of patent protected biomaterial-based products. The Company is successfully emerging from a development-focused start-up into a fully integrated operating company with an experienced team poised to capitalize on its science and technology to generate rapid sales growth and profitability. Our mantra is "Repair, don't replace" because our biochemists, engineers, designers and physicians believe it is better to augment repair when possible rather than replace traumatized, but otherwise healthy tissues and structures. Our platform technologies, HydroFix™ and CollaFix™, have a vast number of potential applications in treating traumatized tissue and structures and we are focused on commercializing multiple applications of both technologies. In parallel, we are seeking strategic relationships, in selective categories, to more rapidly commercialize our technologies. HydroFix™ and CollaFix™ are trademarks of MiMedx Group, Inc.

Safe Harbor Statement

This press release includes statements that look forward in time or that express management's beliefs, expectations or hopes. Such statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, the potential synergies of the Surgical Biologics' technologies and MiMedx' current product technologies, the potential product opportunities and the expectations for Surgical Biologics revenues for 2010 and 2011. These statements are based on current information and belief, and are not guarantees of future performance. Among the risks and uncertainties that could cause actual results to differ materially from those indicated by such forward-looking statements include that the anticipated therapeutic benefits may not be achieved, that the uses for and physician utilization of the Purion® technology platform do not meet expectations, that the Company may not receive requisite regulatory clearances and/or approvals to be able to develop and market its full range of potential products from the Purion® technology platform, or that such clearances or approvals may be delayed, that Surgical Biologics does not meet its 2010 revenue projections, that the Company does not achieve the 2011 revenue expectations projected from the Surgical Biologic business, that the Company requires significant additional capital to survive and achieve its goals, which may be difficult or impossible to obtain; that cost reductions may not be sustained or be sufficient to enable the Company to achieve profitability, that the Company may not be able to establish an effective distribution system for its products in the U.S. or abroad, that the Company's products may not gain the anticipated acceptance in the marketplace or that acceptance may be delayed, and the risk factors detailed from time to time in the Company's periodic Securities and Exchange Commission filings, including, without limitation, its 10-K filing for the fiscal year ended December 31, 2009. By making these forward-looking statements, MiMedx Group does not undertake to update them in any manner except as may be required by the Company's disclosure obligations in filings it makes with the Securities and Exchange Commission under the federal securities laws.

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