
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):

February 11, 2008

Aastrom Biosciences, Inc.

(Exact name of registrant as specified in its charter)

Michigan

000-22025

94-3096597

(State or other jurisdiction
of incorporation)

(Commission
File Number)

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

24 Frank Lloyd Wright Drive, P.O. Box 376, Ann
Arbor, Michigan

48106

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(734) 930-5555

Not Applicable

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

On February 15, 2008, Aastrom Biosciences, Inc. (the "Company") issued a press release announcing that on February 11, 2008, Gerald D. Brennan, Jr. announced his intention to retire from the Company, and requested that the Company initiate a search for his successor. Mr. Brennan has served as the Company's Vice President, Administrative & Financial Operations and Chief Financial Officer since July 2005. As of February 11, 2008, Mr. Brennan resigned from his positions as the Company's Vice President, Administrative & Financial Operations and Chief Financial Officer, principal financial and accounting officer, Secretary, Treasurer and from all other offices, but remains as an employee of the Company. A copy of the press release is attached hereto as Exhibit 99.1.

The Company expects Mr. Brennan to remain employed with the Company for a reasonable period of time to ensure an orderly transition, but he will no longer be deemed to be an officer or executive officer of the Company. The Company and Mr. Brennan are in discussions concerning a potential transition arrangement. The Company anticipates that the transition process of Mr. Brennan's responsibilities will continue through July 1, 2008. As of February 14, 2008, Mr. Brennan's Employment Agreement with the Company has not been terminated.

Effective February 11, 2008, George W. Dunbar, President and Chief Executive Officer of the Company, will serve as the Company's Chief Financial Officer, principal financial and accounting officer and Treasurer on an interim basis. The Company expects Mr. Dunbar to continue in these roles until a successor to Mr. Brennan has been selected.

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.

Aastrom Biosciences, Inc.

February 15, 2008

By: /s/ George W. Dunbar

Name: George W. Dunbar

Title: Chief Executive Officer and President

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated February 15, 2008

CONTACTS:

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AASTROM BIOSCIENCES ANNOUNCES TRANSITION OF DUTIES

Ann Arbor, Michigan, February 15 2008 — Aastrom Biosciences, Inc. (Nasdaq: ASTM), a leading regenerative medicine company, today announced that Gerald D. Brennan, Jr., Vice President, Administrative & Financial Operations and Chief Financial Officer, has announced his intention to retire from the Company, and has requested that the Company initiate a search for his successor. Effective February 11, 2008, Mr. Brennan resigned as an officer of the Company, but will remain as an employee. Mr. Brennan is expected to continue working with Aastrom through mid-2008 to ensure an orderly transition. Effective February 11, 2008, George Dunbar, Chief Executive Officer at Aastrom, assumed the role of interim Chief Financial Officer pending completion of a search for a new Chief Financial Officer.

“We thank Jerry for his many contributions to Aastrom during his tenure as CFO, representing a very important period in our company history where we advanced our clinical programs and successfully executed several financing transactions,” said Mr. Dunbar.

About Aastrom Biosciences, Inc.

Aastrom is a leading regenerative medicine company engaged in the development of autologous cell products for the repair or regeneration of human tissue. The Company’s proprietary Tissue Repair Cell (TRC) technology involves the use of a patient’s own cells to manufacture products to treat a range of chronic diseases and serious injuries affecting vascular, bone, cardiac and neural tissues. Aastrom’s TRC-based products contain increased numbers of stem and early progenitor cells, produced from a small amount of bone marrow collected from the patient. The TRC technology platform has positioned Aastrom to advance multiple products into clinical development. Currently, the Company has a vascular regeneration product in clinical development for the treatment of critical limb ischemia (called the RESTORE-CLI trial), a bone regeneration product in Phase III development for the treatment of osteonecrosis of the femoral head (called the ON-CORE trial), a cardiac regeneration product in clinical development for dilated cardiomyopathy and a preclinical research program targeting unmet needs in neural health. Aastrom product candidates to treat osteonecrosis of the femoral head and dilated cardiomyopathy have been designated for orphan drug status by the FDA. For more information, visit Aastrom’s website at www.aastrom.com. (astmc)

This document contains forward-looking statements, including without limitation, statements concerning clinical trial plans and expectations, clinical activity timing, intended product development and commercialization objectives, adequacy of existing capital to support operations for a specified time, future capital needs, and potential advantages and application of Tissue Repair Cell (TRC) Technology, all of which involve certain risks and uncertainties. These statements are often, but are not always, made through the use of words or phrases such as “anticipates,” “estimates,” “plans,” “expects,” “we believe,” “we intend,” and similar words or phrases, or future or conditional verbs such as “will,” “would,” “should,” “could,” “may,” or similar expressions. Actual results may differ significantly from the expectations contained in the forward-looking statements. Among the factors that may result in differences are the inherent uncertainties associated with clinical trial and product development activities, regulatory approval requirements, competitive developments, and the availability of resources and the allocation of resources among different potential uses. These and other significant factors are discussed in greater detail in Aastrom’s Annual Report on Form 10-K and other filings with the Securities and Exchange Commission.

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