

**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 30, 2011

A.P. Pharma, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33221
(Commission File Number)

94-2875566
(I.R.S. Employer
Identification No.)

123 Saginaw Drive
Redwood City CA
(Address of principal executive offices)

94063
(Zip Code)

Registrant's telephone number, including area code (650) 366-2626

N/A
(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 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))

ITEM 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing

On March 30, 2011, A. P. Pharma, Inc. (the "Company") was notified by the NASDAQ Stock Market (NASDAQ) of its hearing panel's determination to delist the Company's common stock from NASDAQ effective at the close of market on March 31, 2011. The delisting was based on the Company's non-compliance with NASDAQ's minimum closing bid price rule and minimum stockholders' equity requirement. Beginning April 1, 2011, the Company's common stock will be transferred from NASDAQ to the OTCQB, which is operated by OTC Markets, Inc. and will trade under the symbol APPA.

On March 31, 2011, the Company issued a press release announcing the NASDAQ Stock Market's decision to delist the Company's common stock. A copy of the Company's press release is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit No.</u>	<u>Document Description</u>
99.1	Press Release of A.P. Pharma, Inc., dated March 31, 2011.

SIGNATURE

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.

Date: April 4, 2011

A.P. Pharma, Inc.

/s/ John B. Whelan

John B. Whelan

Acting Chief Executive Officer



A.P. Pharma Announces Transfer to OTCQB

REDWOOD CITY, Calif. – March 31, 2011 – A.P. Pharma, Inc. (Nasdaq: APPA), a specialty pharmaceutical company, today announced that beginning April 1, 2011 its common stock will be transferred from The NASDAQ Stock Market (NASDAQ) to the OTCQB, which is operated by OTC Markets, Inc. OTCQB is a market tier of OTC Markets for U.S. companies registered with and reporting to the Securities and Exchange Commission (SEC).

The move from NASDAQ to OTCQB is due to A.P. Pharma's non-compliance with the minimum \$1.00 closing bid price rule and the \$2.5 million minimum stockholders' equity requirement.

A.P. Pharma's trading symbol will remain APPA; however, on certain quote dissemination sites it will be listed as APPA.pk. Although the Company's common shares will be changing markets, the transition to OTCQB will have no effect on the shares themselves or the Company's filing obligations with the SEC.

During 2010, securities on OTC Markets traded over \$144 billion in dollar volume, making it the third largest U.S. equity trading venue after NASDAQ and the New York Stock Exchange.

About A.P. Pharma

A.P. Pharma is a specialty pharmaceutical company developing products using its proprietary Biochronomer™ polymer-based drug delivery technology. The Company's primary focus is on its lead product, APF530, for the prevention of chemotherapy-induced nausea and vomiting. A.P. Pharma received a Complete Response Letter on the APF530 NDA in March 2010 and is in the process of preparing a resubmission responsive to the deficiencies listed in the Complete Response Letter. The Company has additional clinical and preclinical stage programs in the area of pain management, all of which utilize its bioerodible injectable and implantable delivery systems. Further work on these programs has been deferred while the Company focuses on the approval of APF530. For further information, please visit the Company's web site at www.appharma.com.

Forward-looking Statements

This news release contains "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties, including uncertainties associated with capital resources and liquidity, timely development and regulatory approval of product candidates, satisfactory completion of clinical studies, progress in research and development programs, launch and acceptance of new products and other risks and uncertainties identified in the Company's filings with the Securities and Exchange Commission. We caution investors that forward-looking statements reflect our analysis only on their stated date. We do not intend to update them except as required by law.

Contacts

Corporate Contact:

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and

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