
**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 and Exchange Act of 1934

Date of Report (Date of earliest event reported): February 28, 2008

EXACTECH, INC.

(Exact Name of Registrant as Specified in Its Charter)

| | | |
|---|-----------------------------|-----------------------------------|
| Florida | 0-28240 | 59-2603930 |
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**2320 NW 66th Court
Gainesville, Florida 32653**

(Address of Principal Executive Office)

Registrant's telephone number, including area code (352) 377-1140

(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 28, 2008, Exactech, Inc. (the “Company”) and Dr. William Petty, the Company’s Chief Executive Officer and Chairman of the Board of Directors, completed an amendment to the employment agreement, dated February 28, 2008, between Dr. Petty and the Company. The amendment to the employment agreement extends the term under Dr. Petty’s employment agreement with the Company, which was to expire on December 31, 2007, until March 31, 2008, providing for the continuation of such term pending renegotiation of a new employment agreement. All other terms to the employment agreement remain unchanged. The amendment to the employment agreement is attached hereto as Exhibit 10.1 and is hereby incorporated by reference.

Item 7.01 Regulation FD Disclosure

On March 4, 2008, the Company issued a press release announcing its entry into a license agreement. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 8.01. Other Events

The Company’s Taiwanese subsidiary, Exactech Taiwan, has entered into a license agreement with the Industrial Technology Research Institute (ITRI) and the National Taiwan University Hospital (NTUH) for the rights to technology and patents related to the repair of cartilage lesions. Using the technology, Exactech plans to launch a cartilage repair program that will include a device and method for the treatment and repair of cartilage in the knee joint. It is expected that the project will require Exactech to complete human clinical trials under the guidance of the FDA in order to obtain pre-market approval for the device in the United States. The agreement terms include a license fee based on the achievement of specific, regulatory milestones and a royalty arrangement based on sales once regulatory clearances are established. A press release dated March 4, 2008, announcing the entry into the license agreement is attached as Exhibit 99.1 and is hereby incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number | Description |
|-----------------------|---|
| 10.1 | Amendment to employment agreement between Exactech, Inc. and R. William Petty, M.D. |
| 99.1 | Press Release issued by the Company on March 4, 2008. |

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.

EXACTECH, INC.

Date: March 4, 2008

By: /s/ Joel C. Phillips

Joel C. Phillips

Chief Financial Officer

EXHIBIT INDEX

| Exhibit Number | Description |
|---------------------------|--|
| 10.1 | Amendment to employment agreement between Exactech, Inc. and R. William Petty, M.D |
| 99.1 | Press Release issued by the Company on March 4, 2008. |

AMENDMENT TO EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment") is made as of this 28th day of February, 2008, by and between R. William Petty, M.D. ("Executive"), and Exactech, Inc., a Florida corporation (the "Company").

Recitals

WHEREAS, the Company and the Executive are parties to that certain Employment Agreement, dated December 20, 2002, (the "Employment Agreement"); and

WHEREAS, on December 17, 2007, the Company and the Executive amended the Employment Agreement to extend its term to February 28, 2008 to allow for the renegotiation of a new employment agreement; and

WHEREAS, the Company and the Executive desire to further amend the Employment Agreement to expressly provide for the continuation of such term to allow for the finalization of the new employment agreement.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Section 2.1 of the Employment Agreement is hereby amended by deleting Section 2.1 in its entirety and substituting therefor a new Section 2.1 to read as follows:

"2.1 Employment and Term. The Company shall employ the Executive and the Executive shall serve the Company, on the terms and conditions set forth herein, for the period commencing January 1, 2003 (the "Effective Date") and expiring March 31, 2008 (the "Term"), unless extended or sooner terminated as hereinafter set forth."

2. Except as specifically amended hereby, the Employment Agreement is and remains unmodified and in full force and effect and is hereby ratified and confirmed.

3. This Amendment shall be deemed a contract made under the laws of the State of Florida and for all purposes shall be governed by and construed in accordance with the laws of such State applicable to contracts made and to be performed entirely within such State.

4. This Amendment may be executed in counterparts and each of such counterparts shall for all purposes be deemed to be an original, and such counterparts shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Amendment to Employment Agreement as of the date first written above.

ADDRESS:

c/o Exactech, Inc.
2320 N.W. 66th Court
Gainesville, Florida 32653

THE COMPANY:

EXACTECH

By: /s/ William B. Locander
Name: William B. Locander, Ph.D.
Title: Compensation Committee Chairman

ADDRESS:

c/o Exactech, Inc.
2320 N.W. 66th Court
Gainesville, Florida 32653

THE EXECUTIVE:

 /s/ R. William Petty
Name: R. William Petty, M.D.



2320 NW 66th COURT
 GAINESVILLE, FL 32653
 PHONE: 352-377-1140
 FAX: 352-378-2617



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Exactech Signs License Agreement for Cartilage Repair Technology, Patent Rights

Developer of orthopaedic bone and joint restoration implants launches technology platform for advancing treatment and repair of cartilage in the knee joint

GAINESVILLE, Fla. -- March 4, 2008 -- Exactech, Inc. (Nasdaq: EXAC), a developer and producer of bone and joint restoration products for hip, knee, shoulder, spine and biologic materials, announced today its Taiwanese subsidiary, Exactech Taiwan, has entered into an exclusive license agreement with the Industrial Technology Research Institute (ITRI) and the National Taiwan University Hospital (NTUH) for the rights to technology and patents related to the repair of cartilage lesions.

Using this technology platform, Exactech plans to launch a cartilage repair program that will include a device and method for the treatment and repair of cartilage in the knee joint. It is expected that the project will require Exactech to complete human clinical trials under the guidance of the FDA in order to obtain pre-market approval for the device in the United States.

Exactech's Chief Technology Officer, Dr. Steve Lin, said, "The cartilage repair implant technology was developed under the cooperation of ITRI and NTUH. The cooperative team was led by Professor Ching-Chuan Jiang, M.D., Ph.D., Chairman of the Department of Orthopaedic Surgery of the National Taiwan University Hospital in collaboration with Dr. Chun-Jen Liao Ph.D., the lead researcher of biomaterial applications of the Biomedical Engineering Research Laboratories at ITRI. Exactech will complete the development of the cartilage repair implant technology with the goal to begin human clinical trials within two years. We look forward to reporting more details on the company's entry into cartilage repair as the project is transferred from ITRI and NTUH, and the development program gets underway."

Exactech Biologics Division General Manager Bruce Thompson said, "We have made a long-term commitment to finding biologic solutions for joint restoration. We are continuously looking for innovative technology focused on improving patient outcomes through treatments that restore the human anatomy and reverse the progression of orthopaedic disease. This technology license agreement allows Exactech to enter a field of treatment that is on the frontier of orthopaedics. The synergy between this orthobiologic treatment and our other joint restoration products is significant."

The agreement terms include a license fee based on the achievement of specific regulatory milestones and a sales-based royalty arrangement once regulatory clearances are established. Planned expenditures for these fees were included in previously-released financial estimates by the company.

About NTUH

Founded in 1895, the National Taiwan University Hospital is the most historical and important medical institute in Taiwan. The majority of physicians in the country have been trained in this hospital. The present chairman of the Department of Orthopaedic Surgery, Dr. Ching-Chuan Jiang, M.D, Ph.D., has studied in the Hospital for Special Surgery in New York, and is now the Director of the Cartilage Research Group of the NTUH. Additional information can be found at <http://ntuh.mc.ntu.edu.tw/english/html/about/index.htm>.

About ITRI

The Industrial Technology Research Institute is the largest non-profit R/D organization in Taiwan. ITRI was founded in 1973 by the Ministry of Economic Affairs, Taiwan, to develop globally competitive and forward-looking technologies to meet industrial needs, to strengthen industrial competitiveness, and to enhance the economic growth of Taiwan. Additional information can be found at <http://www.itri.org.tw>.

About Exactech

Based in Gainesville, Fla., Exactech develops and markets orthopaedic implant devices, related surgical instruments and biologic materials and services to hospitals and physicians. The company manufactures many of its orthopaedic devices at its Gainesville facility. Exactech's orthopaedic products are used in the restoration of bones and joints that have deteriorated as a result of injury or diseases such as arthritis. Exactech markets its products in the United States and Australia, in addition to more than 25 countries in Europe, Asia and Latin America. Additional information about Exactech, Inc. can be found at <http://www.exac.com>. Copies of Exactech's press releases, SEC filings, current price quotes and other valuable information for investors may be found at <http://www.exac.com> and <http://www.hawkassociates.com>.

An investment profile on Exactech may be found at <http://www.hawkassociates.com/exacprofile.aspx>.

Investors may contact Chief Financial Officer Jody Phillips at 352-377-1140 or Julie Marshall or Frank Hawkins, Hawk Associates Inc., at 305-451-1888, e-mail: info@hawkassociates.com. To receive future releases in e-mail alerts, sign up at <http://www.hawkassociates.com/email.aspx>.

This release contains various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which represent the company's expectations or beliefs concerning future events of the company's financial performance. These forward-looking statements are further qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements. These factors include the effect of competitive pricing, the company's dependence on the ability of third party manufacturers to produce components on a basis which is cost-effective to the company, market acceptance of the company's products and the effects of government regulation. Results actually achieved may differ materially from expected results included in these statements.